THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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CONFIDENCE MARKS LAYING OF PLANS FOR COMING YEAR

Business Backs Its Optimism By Making Larger Appropriations

MORE ADVERTISING

Plants and Equipment Are Also Being Enlarged to Take Advantage of Increased Business

A dominant factor in the current business situation is the confidence with which business leaders are moulding their plans for 1926. Policies and programs are being shaped with a firm conviction that the coming year will record a decidedly larger trade turnover. This conviction is not limited to mere words. Business slogans such as "the corner has been turned" have their value, if true, but with ill-advised repetition they have become little beyond the old shout of wolf! wolf! It is a much more important matter when the leaders of business and finance are willing to back their optimism in dollars.

This is what is taking place. Information has been received by The Financial Post of a number of instances in which larger amounts of money are being appropriated for the coming year's operations. The head of one of the largest advertising agencies stated this week that "just now there are so many indications of better business ahead that it would take considerable space to list them, but one of the most significant is the general disposition of manufacturers to plan confidently and considerably, for bigger sales. Already a number of our largest clients have increased their advertising appropriations for 1926 and there is every indication that the number of national advertisers and the volume of advertising for next year will show an increase over 1925." Another leading advertising agency states that "more money will be spent during 1926 in legitimate business promotion. The money will be better spent, too. Business is satisfied that Canada will go ahead." That larger appropriations are being made is borne out by data received from a number of the advertising agencies, and these firms are close to the situation.

That the manufacturers of Canada are firmly convinced that 1926 has better business prospects than the past three or four years is evidenced by further expenditure upon plant and equipment. A large number of enterprises are enlarging their capacity, and many of the larger manufacturers have stated their confidence in the outlook for increased buying, both domestic and foreign, during the coming year. This is strongly supported by developments towards stability in the countries of Europe, by the trend of Canadian trade during the past six months, and by the increased revenue available for spending within Canada. There is probably no single factor of more importance in the outlook than that the manufacturers and business men of Canada are firmly enough convinced that a greater business turnover is in sight, to increase their appropriations and add to their capacity and equipment.

Plenty of Capital For Expansion of Business

The well-supported conviction that 1926 will be a better business year in Canada than the past three or four have been, is further strengthened by the evidence presented at the annual meeting of the Bank of Montreal. Few organizations are better equipped to present to business men and investors a true picture of Canadian business than is the Bank of Montreal, and the opinions of its heads are especially significant since this organization has not, in the past, been among those who made extravagant statements with regard to the future progress of the country.

Both Sir Vincent Meredith, the president, and Sir Frederick Williams-Taylor, the general manager, placed emphasis upon the conviction that there is probably a larger amount of money in Canada, to be spent in the next few months, than has ever been the case before, due to the increase in trade and the successful year for the farmers of Canada. That capital is coming from the United States in ever-increasing volume was welcomed as an expression of confidence in the country, and would be greatly to the advantage of both, while in no way undermining the loyalty of Canada to the Empire.

Admitting the seriousness of the problem of the National Railways and the necessity of lower taxation, both speakers closed their remarks with a strong expression of confidence in the business, industrial and finacial outlook of the country during the next few months.

B. C. FISHING

B. C. Fishing shares have sold up to 63, a new high. Conservative supporters of the stock have been talking of a dividend on a 4 per cent. basis, but the market is now beyond this range and indicates a strong belief that a bonus for 1925 is not an impossibility.

Will Booth Industries Now Invite Public Participation?

Discussion in investment circles on the death of J. R. Booth, centres in the possible disposition of the enterprises of the senior Booth and his two sons.

It is thought likely that public participation in the industry will come and that the enterprise may be bonded to provide funds for succession duties, etc., and to divide up the load now borne by the two sons.

This procedure has often followed under similar circumstances.

The Booths have not invested very heavily outside of their own business; it has been too immense in its scope and has required the backing up of too much capital. C. Jackson Booth, a son, owns a couple of fine office buildings in Ottawa, the Jackson Building and the Booth Building, but none of the three men were on an important list of directorates. What will happen to the business now that the elder Booth is dead is going to be interesting to watch; especially in these days of heavy income tax and onerous succession duties. It may change the whole personal touch in the Booth industry.

In any event, the able management of the Booth brothers is certain to continue whether they widen the ownership of the enterprise or not.

Steel of Canada Crosses Par for First Time Since Merger Organized in 1911

Investment History Made as Well-managed Steel Enterprise Makes Good Visions and Promises of Promoters of Pre-war Days

This week the common stock of Steel Company of Canada sold over par for the first time in its history. This event is of importance for investors because it indicates that the public is now beginning to recognize Steel of Canada as one of the basic securities of Canada, a security that is bound to reflect business conditions in general and that may, in time, be regarded as a barometer of Canadian business just as United States Steel is regarded as a barometer of business in the United States.

With Steel of Canada selling at par, the yield to the investor is 7 per cent., which is a generous yield for stock of investment calibre. This would seem to indicate that the price is justified.

Steel of Canada has been in business less than fifteen years and during that period has gone through every kind of prosperity and depression.

Story of its Early Days

It was Sir Max Aiken (now Lord Beaverbrook) who was responsible for the formation of the Steel Company of Canada. He, together with E. R. Wood, William McMaster, and a group of financial men, joined together five important industrial concerns,—Hamilton Steel & Iron Co., Montreal Rolling Mills Co., Canada Screw Co., Dominion Wire Mfg. Co., and Canada Bolt & Nut Co. Their aim was to weld into a comprehensive whole, the processes which had been carried on hitherto in a wasteful manner by the companies and to make it possible to carry on the manufacture of iron and steel products from the raw material to the most highly finished article under the one management.

The five constituent companies themselves were individually large and conservative. The Canada Screw & Nut Co. was in itself a merger of five smaller concerns with plants in Toronto, Brantford, Belleville, and Gananoque.

The Hamilton Steel & Iron Co. was at the time of the merger a vigorous young industrial concern of the same age that the Steel Company of Canada has now attained and was an extensive producer of pig iron.

The Montreal Rolling Mills, which had passed under the control of Sir Edward Clouston, head of the Bank of Montreal, and Sir Max Aiken, was a larger and much older concern having been established as far back as 1868. It contributed to the merger three large plants all situated in the heart of Montreal. The company was under the very able management of William McMaster, who had started in the organization in his youth and had worked his way to the top.

Canada Screw Co., of Hamilton, dated back to before Confederation, having had its inception in 1866.

Dominion Wire Mfg. Co. had a plant located on the Lachine Canal, just outside of Montreal and was in the hands of interests close to some of the large United States steel and iron companies.

The Original Management

When the merger was formed the management became centred in Hamilton and the presidency went to Chas. S. Wilcox, president of the Hamilton Steel & Iron Co., while Robert Hobson, of the same company, was made general manager. This was largely due to the fact that the Ham-

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ROBB HAS NOT USED UP POWER FOR BORROWING

Minister Still $20,000,000 Short of Total Authorized

WILL HE NEED MORE?

Funds Secured Not Sufficient to Meet Maturities—Surplus Out of Revenue or From Bank Overdrafts

From Our Own Correspondent.

OTTAWA.—The retirement of the war loan on the first of the present month marked the last of the maturing obligations which Hon. J. A. Robb has to meet during the present fiscal year. Last session he prepared for these retirements by getting from parliament the right to borrow up to $164,000,000, which was the round total of the bonds and notes which were to come due. Up to the present he has used this authority to borrow only $145,000,000, and has met the balance out of current income. The question now arises whether he will be able to wind up the financial year next March without having recourse to the loan market for the balance of his borrowing authority.

The situation at present looks pretty favorable. The maturing obligations which have been met during the year have been as follows:

July 1, Dominion stock ...	$ 60,800
Aug. 12, treas. bills, London	24,333,333
Sept. 15, one-year notes, New York	90,000,000
Nov. 15, one-year notes, Canada	8,000,000
Dec. 1, war loan, 1915-1925	42,014,500
	$164,408,633

Of these issues the first two were paid off in cash before any loan was made either in Canada or New York. Early in September a loan was put out in New York for $70,000,000 and the balance of the $90,000,000 notes was met in cash. Shortly afterwards a further loan of $75,000,000 was

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Reckless Talk About Value of Imperial Oil

Warning From Official Sources About Tips That Market for Imperial and International Pete Will Soar to 100

Appealing to the speculative imagination on account of their past records and possibilities as to the future, the shares of Imperial Oil and International Petroleum have been actively taken up recently and carried forward rapidly in the general upward movement. With the advance there have been reports of a character to arouse rabid speculative enthusiasm. Tips have been flying around in the market that both of these issues, which are above 37 and 35 respectively, are due to cross 100, with attendant benefits to those who get in at the present level.

The Financial Post has been making inquiries in official circles and can find little to account for the wild hopes of fabulous prices. Imperial Oil is one of the country's greatest business enterprises. It has splendid management and a field in which there should be continued growth. International Petroleum is going forward with a program of expansion which should mean greater profits in the future. But there is nothing on which hopes of early "melons" for the shareholders can be definitely based. In company circles the movement is regarded as purely a case of endeavoring to discount the future—a process which for the casual investor frequently results in dissatisfying consequences. A warning is issued that those who buy the stock at present or higher prices may look to the company for dividend distributions on a more lavish scale than may be justified. The competition in the oil industry is very keen and seems likely to continue so. This means small profits and the necessity to develop larger markets to increase earnings.

The optimistic outlook for the future of the shares of these two companies finds some justification in their past records. What Imperial Oil has done for its shareholders is indicated in the following summary:

Dividend Record	Capital	Rate %	Amount	Net Income
1914	$10,000,000	10	$1,000,000	$3,570,950
	10,000,000	6	600,000	....
1915	11,000,000	6	660,000	....
		x100	11,000,000	....
	22,962,500	..	....	6,046,807
1916	23,789,400	4	951,576	....
	24,040,000	4	961,600	....
	25,000,000	..	....	5,154,493
1917	25,000,000	8	2,000,000	....
	30,000,000	..	....	4,904,501
1918	30,000,000	16	4,800,000	7,170,686
1919	30,000,000	12	3,600,000	....
1920	35,000,000	18	6,300,000	....
1921	36,657,000	12	4,278,840	....
1922	39,222,750	12	4,706,730	....
1923	39,605,225	16	6,336,836	....
1924	43,480,625	12	4,985,151	....
1925 shares	6,491,825	50c	3,245,926	....

Total dividend since 1914; cash, $44,426,661, approximately; stock, $11,000,000.

Distributions to shareholders of International Petroleum have been as follows:

Period	Outstanding	Par
1914 to 1915	£1,039,000	£1
1915 to 1920	1,151,525	1
1920 (Aug.) to 1922..	7,118,138	No Par
1923	7,118,138	No Par
1924	7,118,138	No Par
1925	7,118,138	No Par

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Big Executive Needed for New Dominion Board of Trade

Steps for the organization of the working machinery of the new Dominion Board of Trade were taken at the recent meeting at Ottawa in connection with which S. B. Gundy, who presided over the Winnipeg conference, and other representative delegates, set before both the government and leaders of the opposition the stand of this new national organization of trade, financial and industrial interests, on matters of Dominion-wide interest in the field of business.

Getting the new organization into effective working order will take some time, for those who have been responsible for launching the plan appreciate that if real results are to be obtained, it will be necessary to not only have co-operation from all parts of the country but to have as a directing force an outstanding man who will not be merely a secretary but a general manager in every sense of the word. A man is wanted who not only has a record of success as executive but who has the ability to provide leadership in the solution of the country's problems and who commands the confidence of the public. Such a man would be in the $25,000-a-year class, and it is appreciated that if the whole plan is to bear desired fruit the question of ways and means must be met.

Among the names mentioned as permanent head of the new body is that of George Wilson, formerly assistant general manager of the Union Bank, who has recently retired from the service of the Royal Bank. Asked as to the possibility of the appointment of Mr. Wilson, Mr. Gundy told The Financial Post that it was yet too soon to consider a definite appointment; it might be a matter of months. But he intimated that the need of a man of big calibre and a record of accomplishment was recognized.

Smelters Bonus Expected Next Week But May Seem Small to Speculators,

From Our Own Correspondent

MONTREAL.—The very optimistic talk which was heard some weeks ago on the Consolidated Mining and Smelting Company has quieted down considerably since the stock had its setback. Stories to the effect that the company was earning $1,000,000 net each month have been toned down. It is possible that "Smelters" may make further market losses as the ultra-bullish talk is further modified.

About the only thing which the investor can do is to toss a coin to see whether he should sell or buy the stock, as the management still pursues its policy of silence on the results which it has obtained so far this year.

It is understood that the board meets next week when it is possible that the directors may come to some decision on the question of the bonus which was promised earlier in the year. If the bonus is declared at this meeting, it is said that it will probably amount to $3.75 per share. This is a nice return to the older shareholders who have had patience to wait and who originally bought at under $30 a share. But the bonus is almost certain to be less than stock market followers have been expecting. This is the reason why the stock, which sold up to 168, took a flop this week from 154 to 145.

World Financial Control is Now Being Sought by Group of Big International Bankers

New Flin Flon Mine Deal Means $25,000,000 Outlay

The importance of the deal for Flin Flon mining property in Northern Manitoba and Saskatchewan is evidenced by the fact that it involved the expenditure of $25,000,0000 of U. S. money in purchase price, equipment and power development, besides labor costs and supplies, and other developments necessary for such an enterprise.

On page 18 of this issue will be found an article setting out with considerable detail what are believed to be the important facts of the sale made by Mining Corporation of Canada, and the Fasken interests. The development of the property will mean a new town of considerable size will spring up.

SAYS PLANTS TO CLOSE IF TARIFF IS NOT INCREASED

Dominion Linens Has Already Moved One Factory to States

Unable to operate at a profit under prevailing conditions, Dominion Linens, Ltd., has been holding on in the hope of improvement, particularly in regard to the tariff affecting the company's products, according to D. M. Sanson, president of the company, who states that developments of the forthcoming parliamentary session are being awaited as to their effect in deciding the future of the concern. Mr. Sanson directs attention to the fact that "during the regime of the King Liberal government there have been four reductions in the tariff affecting the business of Dominion Linens, and if there is not a change in the immediate future it will not be possible to continue the three mills now operating in Canada."

On various occasions the effect of the tariff reductions on Dominion Linens and other industries has been called to public attention by Mr. Sanson. The company is not only now hoping for an adjustment to the basis of the Laurier-Fielding regime at least but for a change of policy by the present or a new government which will result in reasonable protection not only for the linen and other manufacturing industries but, says Mr. Sanson, for farming, fruit-growing and vegetable raising, as well.

In the event of the company's plants in Canada being closed down Mr. Sanson says that an effort will be made to find a market for the equipment in the United States. He directs attention to the fact that already a start has been made in this direction by the establishment of a mill at Lockport, N.Y., which is now in operation. Sites are now being inspected for locating another plant over the border. It is Mr. Sanson's opinion that if the company is forced to close "the board of directors will be of the opinion that the plants will not be re-opened."

Soliciting for Maritime Ports Brings Results

In connection with the suggestion of The Financial Post that the Maritime Provinces should adopt practical and direct methods to secure business for the Maritime ports, now being routed through Portland and New London, by the Canadian National Railways, James D. McKenna, of the St. John Telegraph-Journal, writes that something in this direction is already being done. A representative of the Telegraph-Journal has since September 1, been calling on importers and exporters in Ontario, and is still working among the manufacturers, wholesalers, jobbers, departmental stores, etc. As a result, says Mr. McKenna, thousands of tons of freight have been directed through Canadian ports which formerly went through American channels.

The plan is a good one and might well be extended with an organization which would be financed by the communities benefiting rather than by individual companies.

The Kenora Paper Mills New Name of Backus Plant

MONTREAL.—The Kenora Paper Mills is the new name under which the plant of the Backus interests at Kenora, Ont., is to be operated in the future. Since the commencement of operations this plant has been operated through the Keewatin Lumber Company, pending a selection of a name for the new concern. The output of this mill is at present about 120 tons daily, but it is expected that within a few months it will be increased to 260 tons.

English, French and Americans Work With Germans to That End

CONTROL ALL CREDIT

Price Stabilization Throughout the World is Important Aim of Norman-Strong-Loucheur Combination

Evidence multiplies of the gradual formation of a compact financial trust to control world credit. Rt. Hon. Montague C. Norman, governor of the Bank of England, and Benjamin Strong, governor of the Federal Reserve Bank, of New York, working with Loucheur, finance minister of France, and in accord with the heads of the German Reichsbank and the Banque Nationale of Belgium, are, it is believed, co-operating to work out international agreements to govern the financial policy of the world.

The ends in view are stated to be:

> **'Establishment of what may be the equivalent of a Federal Reserve System in Europe; a program of all for one and one for all, embracing future steps to be taken to prevent depreciation of national currencies; creation of an international reservoir of gold; effective aid to enable all the industrial nations to resume the gold standard."**

Senator Raoul Dandurand's interesting addresses in Toronto this week and other recent developments show the extraordinary progress that is being made towards the centralization of the world's banking, finance, industry and power.

Senator Dandurand spoke as president of the League of Nations. His appointment, played up as a compliment to Canada, was in reality due to the French-German influence; but no man is more entitled to that honor than the Canadian senator. For years before the war he and his brilliant wife were active in promoting international peace movements. Mr. Dandurand, like his brilliant colleague in the Senate, Hon. Mr. Beaubien, is more French than the French, just as we have many Canadians who are more loyal to the Empire than the British themselves. The senator told his audiences of the great progress made towards political and economic unity in Europe. What he said was not as important as what he did not say, and the deduction in the light of other information, that was most important. The senator is perhaps more of an idealist than a practical business man, and he believes the world is to be saved by "Kultur," and by "Kultur" only. The important fact, however, of prime interest to Canadian finance and business, was his definite confirmation of the getting together of the Central European nations, which will lead to very important political and economic union, with ultimate world free-trade, with each group of world finance and industry dominated by one central body. Briefly, Mr. Dandurand confirmed the story already told in these columns on more than one occasion in the past few years of the organization, under Germany, of the nations of Central Europe into one great free-trade zollverein, which will lead soon after to political union. Mr. Dandurand's friends, Loucheur and Painlevé, are the two chief advocates of this policy in France.

It is perhaps difficult for us on this side to realize to what extent this world scheme has developed. The plans for world financial control go

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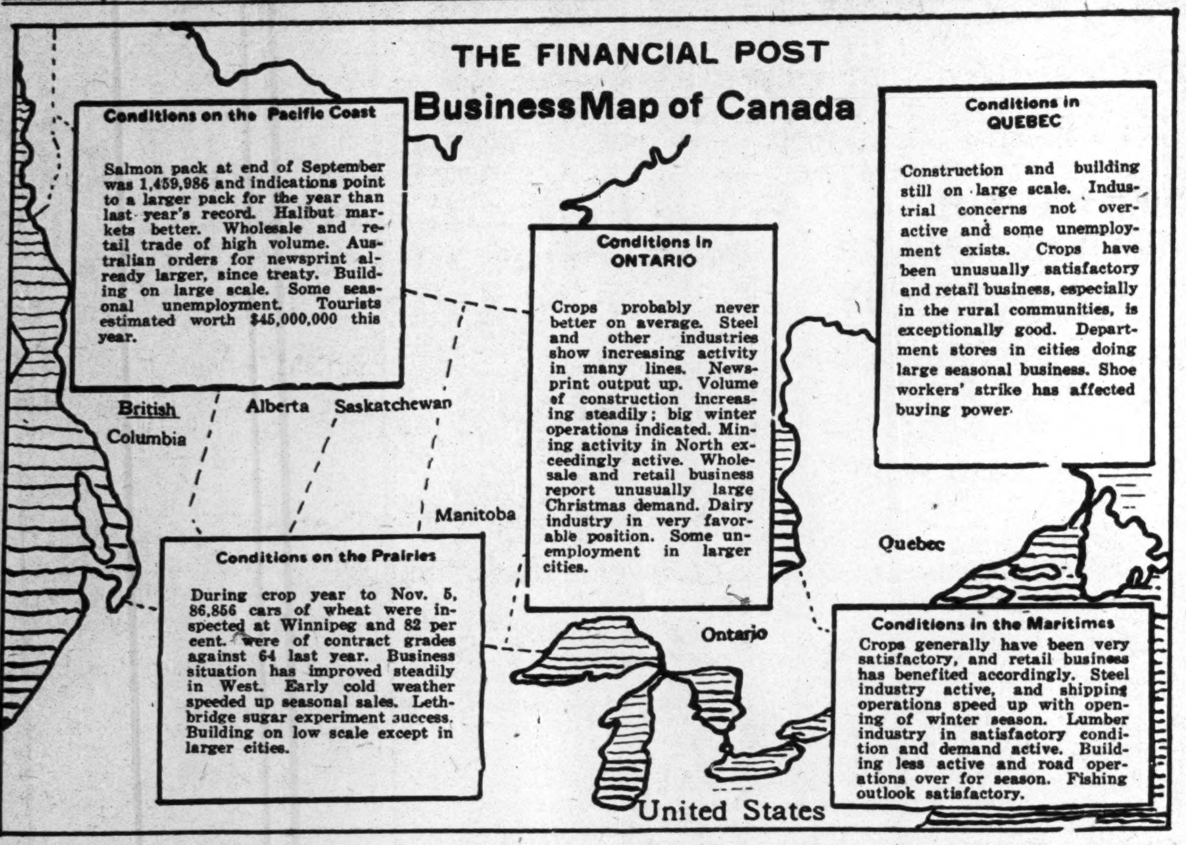
The Trend of Business and Industry

Conducted by H. M. CAMERON, Statistical Editor, The Financial Post.



THE FINANCIAL POST

Business Map of Canada

Conditions on the Pacific Coast

Salmon pack at end of September was 1,459,986 and indications point to a larger pack for the year than last year's record. Halibut markets better. Wholesale and retail trade of high volume. Australian orders for newsprint already larger, since treaty. Building on large scale. Some seasonal unemployment. Tourists estimated worth $45,000,000 this year.

Conditions on the Prairies

During crop year to Nov. 5, 86,856 cars of wheat were inspected at Winnipeg and 82 per cent. were of contract grades against 64 last year. Business situation has improved steadily in West. Early cold weather speeded up seasonal sales. Lethbridge sugar experiment success. Building on low scale except in larger cities.

Conditions in ONTARIO

Crops probably never better on average. Steel and other industries show increasing activity in many lines. Newsprint output up. Volume of construction increasing steadily; big winter operations indicated. Mining activity in North exceedingly active. Wholesale and retail business report unusually large Christmas demand. Dairy industry in very favorable position. Some unemployment in larger cities.

Conditions in QUEBEC

Construction and building still on large scale. Industrial concerns not overactive and some unemployment exists. Crops have been unusually satisfactory and retail business, especially in the rural communities, is exceptionally good. Department stores in cities doing large seasonal business. Shoe workers' strike has affected buying power.

Conditions in the Maritimes

Crops generally have been very satisfactory, and retail business has benefited accordingly. Steel industry active, and shipping operations speed up with opening of winter season. Lumber industry in satisfactory condition and demand active. Building less active and road operations over for season. Fishing outlook satisfactory.

Survey of Canadian Business To-day Promises Well for '26

Better Buying Power, Higher Stock Prices and Resourceful Activity in New Fields Reviewed in New 1926 Edition of The Financial Post Survey

FOR several years, business men have seasonally looked forward to improved industrial and trade conditions in Canada. Each spring has given promise of better things in the fall, and each fall has appeared to offer the necessary promise of definitely improved business with the turn of the year.

The promises have not always been satisfactorily fulfilled. Fundamentally, conditions have definitely improved, but, in the process of getting down to actual rock-bottom, there has been so much adjustment and readjustment of conditions, that many lines of business in Canada have not had the definite results to encourage a feeling of confidence, security and optimism.

Definite Upward Turn Here

To-day, however, conditions are such that a definite upward turn may be expected in the coming year. This seems to be the essence of the business data in The Financial Post Survey, 1926, which will be published next week. The Survey quotes no opinions; contains no articles by editors or business leaders, and draws few conclusions. But it does present an array of vital business statistics that will enable any business man, investor, banker, or publicist to analyze conditions as they exist in any field that he may be interested in. There are nearly 240 pages of well-presented facts and figures, touching every phase of Canadian business and industrial life. Much of the information has been gathered together for the first time and enables the executive or sales manager to plan production and selling campaigns with confidence and knowledge.

From this mass of data, which bears upon individual problems and specific fields of operation a general survey of conditions in Canada and of prospects for 1926 can be made.

The Survey indicates that Canada will have greatly increased purchasing power in 1926, in the fields of agriculture, forestry, fishing, mining, electric power, construction. The revenue accruing to those engaged in these activities has shown very considerable increase during the present year, and in the field of manufacturing the plants have, in the main, held their own. This means that Canadians will have more money to spend in 1926 and an even more productive year is expected, which will add further to the purchasing power of the country.

Analyzing Canada's production by buying areas, the Maritime Provinces show slight increase in purchasing power. The stable character of population and of the sources of revenue is indicated by an analysis of population characteristics, living conditions, and buying habits, but at the same time it is shown that the Maritime Provinces at the moment are not moving forward as rapidly as some other parts of Canada.

Quebec is shown to have improved its buying power somewhat, but Quebec's losses in some activities have offset gains in other ways. Quebec's dominant French population, the largest percentage of female workers in industries, the concentration of wealth in a few larger centres; the stable character of the inhabitants generally, create marketing problems that need only to be solved by the manufacturer to open up an immense market in that province.

Ontario and the West Improve

Ontario, by reason of steadily growing sources of income, will be a better market for nearly all products in 1926, a highly concentrated and well-educated market, comparatively simple for sales attack.

The greatest improvement in conditions has taken place in the three western provinces, and, as they comprise an important market for the production of nearly every other part of Canada, this augurs well for business in all centres. The highly developed buying habits of the western people is indicated in their wide use of the telephone, the automobile, farm machinery, etc.

British Columbia has advanced in wealth and buying power. A revival of mining is a factor of importance in making increased sales certain on the coast. The population in British Columbia is concentrated to a large extent in a very small corner of the province.

Price Stabilization is Important

One of the most interesting chapters in the new Survey is that devoted to prices, for it indicates definitely that a certain stability is being reached in most lines. The approach of a parity between the price the buyer is willing to pay and the price the seller can afford to accept is injecting a note of stability into trade that removes a barrier that has existed for five or six years past. A greater price stability exists at the moment than at any time since long before the war.

The wide market that is being opened up in various parts of Canada for almost every conceivable type of commodity through the development of mining activities, is clearly set forth in the Survey. An analysis has been made of the commodity requirements of the mines in Northern Ontario, British Columbia and elsewhere. Also the needs of the individual miners themselves are surveyed. The onward march of mining developments in Canada and a broadening of the areas in which mining is carried on, are important factors in annual wealth.

The extent of the advance in security prices during 1925 is thoroughly demonstrated by index numbers and charts. This advance is a happy omen, for it is recognized that improving business conditions are always preceded by rising stock market prices in anticipation of the larger profits to come. The steady advance, that has characterized Canadian security markets during the past year, is one of the brightest factors to be considered by the business man.

Life Insurance Sales High

Another field of activity, where aggressive salesmanship and widening public knowledge have combined to produce excellent results, is that of life insurance. Figures are published of the monthly sales of life insurance in every province of Canada for five years past, and these show that, despite the fact that many people thought that the saturation point had been reached in life insurance sales, business has continued steadily to go ahead. This is an example of what sound selling and advertising activities can do in a country where business conditions have not generally been of the best.

Newfoundland as a Market

Newfoundland is not without its problems, but it is also enjoying considerable development and improvement in many basic lines, such as fisheries, cod liver oil production, pulp and paper production and water power development. Newfoundland is an important field for many Canadian manufacturers, although there are a number in Canada who do not understand the trade and population problems of the island Dominion, which is Canada's nearest British neighbor. A chapter in The Financial Post Survey, 1926, is devoted exclusively to Dominion of Newfoundland; its finances, trade, commerce, industry, etc. A clear picture of the sales and investment possibilities of the island is given. This picture is one that is bound to interest more Canadian business men in the development of a new market for their own products in that country.

Canadian business men are more and more following the custom of American business men in conducting their businesses with a full knowledge of all the attendant facts and circumstances, and The Financial Post Survey has been published to provide the basic business facts concerning Canadian trade, commerce, investments and other commercial activities.

The new 1926 edition represents an important advance upon the editorial contents of the 1925 edition, which was the first to be published, and, which, necessarily, was experimental in some phases. The all-embracing nature of the information presented makes it of extremely great value to every business man who counts knowledge as one of his assets, and analysis as one of his productive facilities.

Car Loading Figures Make New High Records

New high records have been reached during recent weeks by revenue car loadings in Canada. For the last week in November, total loadings amounted to 42,162 cars, against 41,865 for the previous week. In comparison with the same week in 1924 every commodity except lumber showed increases, grain leading with a gain of 6,820 cars, and miscellaneous freight with a gain of 2,079 cars, the total increase being 12,604.

Cumulative totals for the year to date exceed those of last year by about 84,000 cars after remaining below last year's figures during most of the year.

Trade Unions Must Protect Investments

WINNIPEG.—The Payroll says: "It may not be amiss to make a suggestion to unionist leaders throughout the country who would avoid the chaotic disintegration of their own organizations.

All large organizations of workers today have accumulated funds and invested them. The administration of their savings demands a different type from the agitator and the labor politician. If organized labor is to operate banks, coal mines, office buildings, and sit on the directorate of railroads in which it has a stock interest, it must develop financiers, executives, and administrators who can conserve it properly, and this inevitably means a new breed of leadership and a new point of view.

"A new unionism must be developed which will recognize economic relations and laws. A new day is here, and unionism must meet it in a spirit of intelligent consideration for itself, for industry and for the country."

Canadian Conditions

	1925	1924	
Car Loadings—			
Week Nov. 28	76,453	63,849	+ 20%
Yr. to date	2,736,663	2,693,932	+ 1.4%
Grain Receipts—			
Aug. 1 to Nov. 27	197,789,267	183,059,452	+48.6%
Building—			
October	9,591,719	11,238,610	—14.6%
Bank Clearings—November	$1,633,085,136	1,652,702,601	— 1.1%
Savings Deposits—Chart. Banks—			
Sept.	$1,266,554,097	1,177,428,463	+ 7.7%
Current Loans—By Banks—			
September	903,717,736	956,744,562	— 5.5%
Net Dominion Debt—Nov. 30—	$2,382,616,883	$2,411,754,347	— 1.2%
Wheat, No. 1, Nor. Winnipeg—	Dec. 7, $1.70	Dec. (Av.) $1.72	
Railway Earnings— 10 Months—			
C. P. R.	$144,243,276	$148,710,928	— 3.0%
Oper. Exp.	115,163,327	121,242,979	— 5.0%
Net	29,079,949	27,468,060	+ 5.8%
C. N. R.	196,444,081	195,825,323	+ 0.5%
Oper. Exp.	175,958,360	184,555,659	— 4.6%
Net	20,485,721	10,769,664	+ 90.2%
Balance of Trade— 12 months, October 31—			
Exp.	$1,210,679,606	$1,069,194,223	+11.1%
Imp.	865,239,383	818,709,963	+ 5.6%
Bal.	345,440,223	270,486,260	+27.7%

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Bell Telephone Opportunities for Investment in Our Biggest Public Utility

Third Article: Relations With Other Companies; the Future

From Our Own Correspondent

MONTREAL.—The Bell Telephone Company is closely connected with two other companies, the Northern Electric Company and the American Telephone and Telegraph Company. The latter company owns just over 32 per cent. of the outstanding stock in the Bell Telephone, which in turn owns 50 per cent. of the stock of the Northern Electric Company. The Northern Electric Company is engaged in the manufacture of electric equipment.

A substantial proportion of its gross revenue is derived from sales to the Bell organization, and the remainder from sales to other companies in Canada. Through its ownership of half the common stock of this subsidiary, the Bell Telephone is assured of a continuous supply of the highest quality of standardized apparatus made of the best material, and produced in accordance with the requirements of the public. It is enabled also to obtain lower prices through the standardized quantity production of its subsidiary. In addition, too, the subsidiary acts as a purchasing agent, and through purchasing in large quantities economies are effected here also. The fact that the customers of the Northern Electric are nation-wide means that it must carry in warehouses in important centres throughout the Dominion a liberal supply of all kinds of equipment. Were this not done, the Bell Telephone would be obliged to carry large stocks of emergency and repair materials at many points in its territory.

The Am. Tel. & Tel. Agreement

In addition to the substantial stock interest which the American Telephone and Telegraph Company holds in the Bell Telephone Company, there is in operation between the two companies a service agreement under which the American Company, in return for a monthly payment, provides the Bell with a service of great importance to the telephone using public.

The American Telephone and Telegraph Co. has been chiefly responsible for the service of over one hundred millions of people. Naturally, from this it has acquired a valuable experience covering every phase of the industry. Through its contract with the American Company, the Bell is in a position to draw continuously on that experience and to apply it to the problems in its own territory. Some of the benefits accruing to the Canadian company under the agreement are as follows:

> The immediate application to the Canadian business of the results of scientific development; the instruction and training of employees, including the opportunity to study in other fields and territories. This last is not only of general value but it is of particular value in the matter of special work such as the installation and maintenance of automatic telephones, and other improved methods which have been tried elsewhere. The personal services for short or longer periods of specialists in many branches of the industry; the use of telephone patents and the employment of standardized, new and improved apparatus, methods and devices; in addition there are innumerable ways in which this connection has proved of value to the commercial department in such things as commercial survey work, rate engineering, office appliances and equipment, the measurements of commercial results and in toll line operating methods.

Incidentally, in this connection it is interesting to note that the American company now owns and controls some 5,000 patents covering substantially the entire telephone field in its mechanical and physical aspect, and the contract makes them available to the Bell Company without payment or royalty.

What the Future Holds

The Bell Telephone Company's past, with its wonderful record of 30 years of continuous 8 per cent. dividend payments, is clearly indicated in the charts which have accompanied these articles. This is of interest to the investor in the stock, but it is the future which interests him more.

That the telephone saturation point has by no means been reached may be judged from the fact that this year there have been already installed 40,000 new stations. By the end of 1925, the company's telephones will have been increased by a further 10,000.

The company's future does not depend alone on this ever expanding market—in fact, the rapidly growing use of the telephone is an ever-present problem, making it necessary to look well into the future in laying plans and erecting present equipment. This provision for the future means carrying charges which reduce earnings to that extent. Still, the shareholder likes to look forward to a future of growth so that he may have an opportunity to subscribe for new stock issues.

The Room for Expansion

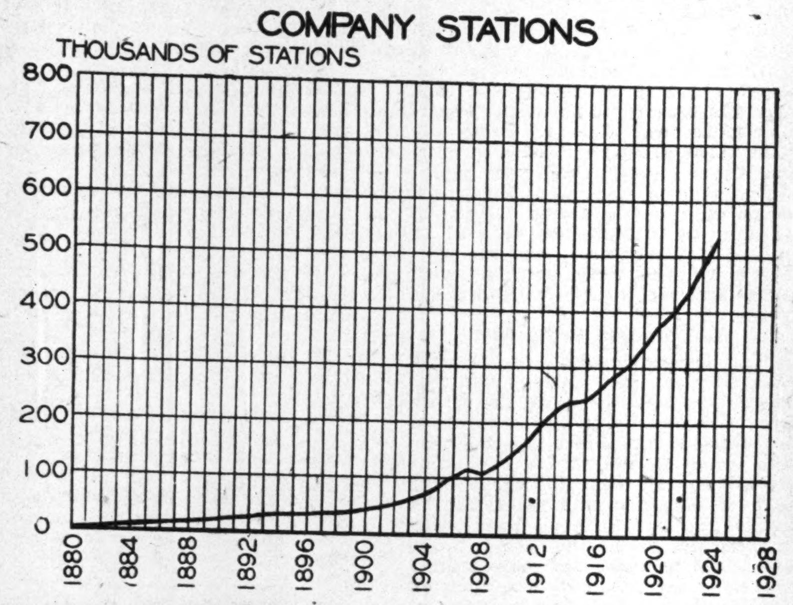
These new issues must be forthcoming from time to time, as it is estimated that the telephone on an average serves only some 45 per cent. of the urban residences in this country. Naturally, the percentage is considerably lower in the suburban and rural houses.

Again, people are more and more realizing that the phone is intrinsically worth to them considerably more than the company's tolls. This will bring about an increasing use of the instrument. Business houses, too, are realizing that the telephone is in the nature of a door to their offices; a door which they will see is adequate; in other words, a sufficient number of lines to handle all the calls efficiently.

The long distance feature of the instrument is one which is more and more being utilized. The company's development efforts along these lines have met with extraordinary success, and indications are that the long distance service will continue to make even better progress in the future than it has done during the past few years.

Taken all in all, investors in this stock have done well. The future should hold just as good results as have been achieved in the past.

COMPANY STATIONS



TOURISTS WORTH $45,000,000.00 TO BRITISH COLUMBIA

Business Men Consider Its Development Best Possible Investment

From Our Own Correspondent.

VANCOUVER.—British Columbia's tourist crop was worth over $45,000,000 this year. That is the figure agreed upon by various travel and hotel agencies as being as nearly exact as it is possible to get it. It is based on the estimated expenditure of the tourists while in the province during the months of June, July, August and September.

At a time when the province's greatest industry is carrying on at reduced momentum because of the fire hazard in the forest, thus curtailing the timber payroll considerably, this giant new industry represented by the expenditures made by tourists, is bringing in new money and circulating it throughout the country. The tourist industry is recognized now as an agency of wealth production just as certain and as important as the development of the more concrete and earlier recognized forms of industrial activity.

Hundreds of thousands of dollars will be spent next year by British Columbia in conjunction with the adjacent states of Washington and Oregon in an effort to attract tourists to the Pacific Northwest. The campaign for tourists has been regarded as international ever since it first gained impetus and the willingness of Oregon and Washington to co-operate with the Canadian province has been of great advantage to British Columbia because of the fact that approximately 85 per cent. of the tourists, if not a greater proportion, come from U. S. territory. With the opening of the last link of the trans-provincial highway next year it is expected that the percentage of Canadian tourists to British Columbia will grow appreciably.

One tourist agency alone estimates that 250,000 Pacific coast tourists—that is to say, tourists from California and other Pacific states—toured the international northwest this year and while in this section spent about $16,000,000. This agency plans to spend $75,000 on advertising the Northwest as "the evergreen playground" in the middle western states, and the appeal will also be directed to residents in the prairie provinces.

The attitude of the majority of British Columbia business men towards the tourist movement was expressed as follows:

"The close of the tourist season was to Vancouver just like the closing of a mammoth factory, giving employment to thousands of workmen. The money the tourists brought in was just like found money to the community. It represents the biggest and most profitable business we have.

"Tourists come in here, drawn by our natural scenery, and patronize our merchants and industries. And the beauty of it is that the scenery that draws them will never wear out. No matter how big our turnover, our stock can never become depleted.

"A business like that is worth developing. It is worth commercializing, just like any other business is commercialized. For every dollar spent on scenic development and for every dollar spent on tourist facilities, Vancouver will take in a thousand dollars in return.

"Speeding up our tourist traffic is the best investment on the market."

Two Large Western Hardware Houses Merge

Marshall Wells Co. and Wood, Vallance, Winnipeg, wholesale hardware houses with warehouses in important Western centres, have combined. The former was established 30 years and the latter 45 years ago. The Marshall Wells Co. is also a manufacturer of some of the major lines of its business, controlling Dominion Stove and Foundry, Penetanguishene and International Laboratories, Ltd., St. Boniface, for turning out paints and varnishes. The merger is brought about simply as an economic necessity, says an official statement.

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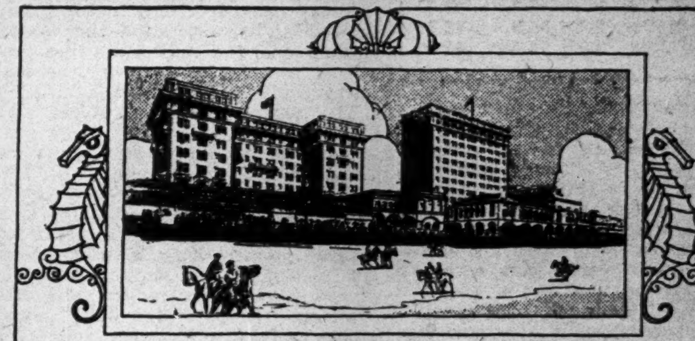

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The Securities Markets

MARKET ADVANCE AGAIN RESUMED ON BROAD FRONT

Many Gains Recorded as Result of Week's Trading

Market Indicator
20 Industrial Stocks

	High	Low
Week of Dec. 9..	86.0	83.3
Week of Dec. 2..	84.9	82.7
Mth. of Dec., '24...	72.6	67.2

Recovering from the influence of the recent set-back experienced by the New York market, the advance in Canadian security prices was resumed during the past week on a broad front. With improvement in fundamental conditions which has not as yet been fully reflected in business and industrial expansion and with a sound financial foundation and a plentiful supply of money to take care of legitimate undertakings, it is argued that the Canadian market should not be dominated by outside influence and that even when New York reaches the turn there is no reason why Canadian prices should follow the lead. On the other hand, experience teaches that speculation in the two markets is related and that prices very frequently follow the same trend. Also conservative students of the situation direct attention to the fact that the advance in the market usually culminates before business expansion reaches the peak. On this basis, whatever attraction the market has for speculators at its present level, there is a general tendency on the part of conservative investors to take profits on the common stocks which have had a rise in favor of the better preferred issues and bonds. During the later trading this tendency to take profits made itself felt and recessions from the week's high points were general.

The summary of the trading for the week indicates advances by 75 of the listed securities as against 28 declines. Folowing is a summary:

	Gains	Loss	Unch.	Total
Banks	6	1	2	9
Paper	9	1	3	13
Steel	4	10	1	15
Milling	9	..	3	12
Utilities	10	4	4	18
Tractions	4	3	5	12
Textiles	8	..	..	8
Industrials	25	9	8	42
Total	75	28	26	129

The bank group has again resumed a dominant position in the market advance with the great majority of these stocks registering further increases. Bank of Nova Scotia at 284 improved 4 points, Standard moved up to 200 from 195½ and Toronto 2 points to 214. Smaller gains were recorded by Commerce, Dominion and Royal. Montreal was unchanged and Standard the only bank to show a decline.

The paper group also showed a strong advance with nine stocks registering increases against only one recording a loss. Abitibi preferred was a feature, moving up to 110 from 105½ in October. Laurentide continued its rise to 85 and Price Bros., Spanish River and Wayagamack were also among strong performers.

In the steels, while a majority of the quoted stocks showed declines, this group was featured by the advance of Steel of Canada to over par, an increase of some 7 points for the week and a new high record for this leading industrial security.

General advances were made by stocks in the milling and associated industries. Canada Bread made a sharp rise to 60 and Christie Biscuits moved up a point to 63. Canadian Bakeries preferred advanced a couple of points to 95, but the common was easier. Shredded wheat was a feature of this department selling up to 168 for a gain of about 6 points.

The utilities shared in the general improvement, with Montreal Light, Heat and Power selling up to 215 from 208 and Shawinigan to 169 from 161½, while Bell Telephone and Laurentide Power also developed considerable strength. In the tractions Brazilian made a sharp advance to around 80, a gain of about 6 points. Twin City, evidently because the talk of a dividend increase was not borne out, reacted slightly, but Duluth-Superior, which had been bid up on rumors of an increase at the same time, held its advance when nothing was done in this connection.

Every member of the textile group showed higher prices on the week's trading, but few of the advances recorded were of importance, the majority being only fractional.

The general industrial stocks also made a good showing under the leadership of American Salesbook, Canada Cement, Consolidated Rubber, National Breweries and several others. Dominion Glass was outstanding as a weak feature, showing a break of several points. King Edward Hotel was in demand and moved up several points. Lyall Construction was also a strong feature of the lower priced stocks. Sherwin-Williams sold off a couple of points after its recent marked advance. Gooderham and Worts, a recent listing, was the sensation of the week's trading, rising to 200 from 153 and showing a gain of some 75 points since its listing only a short time ago.

The New York Influence

Looking to the American market there is yet no definite evidence that the peak of the bull market has been reached and opinions differ whether the recent reaction was again a corrective or real liquidation. There is still a surplus of ready money offering for speculation and industrial expansion, although call rates have been marked up somewhat. The action of the New York Central Reserve board in refraining from advancing its rate and the statement of Secretary Mellon that the market situation does not appear to have been unduly inflated have been cards which the bulls have not failed to use effectively. Considerable interest is now being taken in the year-end situation and the possibility of some general selling on a profit-taking basis in view of the fact that profits can then be entered as income for 1926 on which it is anticipated that the rate of federal taxation will be lower than under the schedules prevailing for 1925.

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Martin Paper Company Passes to Provincial Mills

WINNIPEG.—A deal of considerable importance has just been completed, whereby the wholesale paper business of John Martin Paper Company, of Winnipeg, Calgary and Edmonton, passes into the hands of Provincial Paper Mills, Ltd.

It is stated that the present management will continue to administer the affairs of the company in the west.

John Martin, president of John Martin Paper Company, in speaking of the change, stated it was due to a general recognition of the necessity of bringing the paper manufacturer and the printer and publisher into closer contact. It would undoubtedly place the printer and consumer of paper in the west in a most advantageous position, in that he would be dealing directly with the manufacturer with all that this would mean in point of economy and service.

Mr. Martin, who came to Winnipeg in 1908, formed the John Martin Paper Co., Ltd., in 1910.

B. A. Oil Shares Are Close to Double Par

British American Oil shares have sold up to 49, at which price they give a yield of slightly better than 5 per cent. There has been considerable talk of a 10 per cent. dividend and 2 per cent. bonus, and this undoubtedly has much to do with the accumulation that is going on. The company is reported to have had a very good year in its main field of activity, Western Canada, and has also materially expanded in the thickly populated Western Ontario counties. Its ownership of shares in a large oil exploration company, B. A. Oil Development, is being closely watched as are the company's holdings in Southern Alberta.

NEW SULPHITE MILL COMPLETED

MONTREAL.—The St. Lawrence Paper Mills, Limited, has completed the construction of a new plant for the manufacture of sulphite with a possible production of 80 tons a day. A large percentage of the production will be exported to the United States since the company only requires about half its capacity production for the manufacture of its newsprint. This new plant will supply employment for about fifty workers.

SAYS COMPANY HAS NO "PREMIUM FUND"

Political Campaign Against Consumers Gas Replied to by General Manager

Toronto city council proposes to ask the courts to interpret various acts of the Ontario legislature relating to the Consumers' Gas Company. A resolution to this effect was put through at the instance of those who have been campaigning against the company with the proclaimed intention of securing lower gas rates for the people. Thus far, similar moves which have been started during the municipal pre-election period, have merely served to reveal the strong position of the company in relation to its charter rights. The $25,000 audit recently made brought out nothing of value which has not been brought out in the annual inspection of the company's books by the city auditor. The latest point to be raised has to do with what is referred to as the company's premium fund in connection with which illegalities are being alleged. In this connection, the company, which has generally avoided the many petty controversies which have arisen, has made a statement through the general manager, Arthur Hewitt, that the company has no "premium fund" known as such. Outlining the conditions under which the concern was operating, he declared that under the legislation of 1887 the reserve fund was placed at not more than one-half of the amount derived from the sale of the first $2,000,000 stock, but the limits of this reserve might be increased by the addition of premiums on additional stock sold.

According to Mr. Hewitt, when a share is sold at more than par value, $100 goes into capital account, and the difference, or premium, is placed in the reserve fund, under definite provision of the act. To use them to reduce the price of gas, he claimed, would be equivalent to using capital for that purpose.

"Our 'premium fund' at present consists of half the revenue derived from the first $2,000,000 worth of stock," he said. "That is to say, it amounts to $1,000,000, plus the premiums we have obtained on stock that has since been sold, and that is what the various acts under which we are operating require."

Gooderham and Worts' New Shares Continue Upward

While many followers of the market have been busy declaring the new Gooderham and Worts shares too high, the onward, upward rush has continued to 200 and then eased to 192, where it stood 72 points above the price prevailing a few weeks ago, when the shares were first traded in. Nothing whatever is publicly known of Gooderham and Worts financial position. Rumors of large profits and split-ups lack official confirmation. Belief on the street is that insiders are trading in stock, but even this is not known for certain. The shares are closely held and whatever game is being played is within an inner circle.

Wants New Directors on Canadian Car Board

From Our Own Correspondent.

MONTREAL.—Reports from New York state that A. H. Lawrence, a New York broker and a director of the Canadian Car and Foundry Company, has mailed a letter to the shareholders asking for proxies for the forthcoming annual meeting of "Car" which is to be held in January. The letter claims that the independant shareholders of the company ought to have the selection of two additional directors, and states that following the withdrawal of the American Car and Foundry Company from the Canadian concern, the control has rested with the independent stockholders, scattered through Canada, the United States and Great Britain, but that these stockholders have not been sufficiently represented on the board of directors.

It is understood that Mr. Lawrence is not always in accord with his fellow directors and it will be recalled that some years ago he was a storm centre in the company.

Steel Prices to be Steady Until the End of the Year

Indications point to operation by most of the metal-working industries through December and well into the new year at substantially their present scale, although December is not expected to equal November in amount of business booked, as most manufacturers are booked through the first quarter, says Canadian Machinery.

There is no important open inquiry for iron or steel. Heavy buying has subsided, although the call for shipment of supplies for work on hand is insistent. Melters, of course, have inventory in the back of their minds and are keeping their stock piles as low as possible.

The belief is now general that prices will remain substantially as they are until the turn of the year. Contracts of any importance have all been placed, and spot business will taper down through the next three weeks. An advance, or the threat of an advance, therefore, would be productive of very little business. Iron producers look for an advance of $1 or $2 probably near the eve of the new year, while the same time will probably see imposition of the postponed advance in steel bars and shapes.

OTTAWA THEATRES' ANNUAL

MONTREAL.—The annual report of the Ottawa Theatres shows the net profits for the year ended August 31 at $8,130. Accompanying the financial statement was a notice to the shareholders calling the annual meeting at which the shareholders will be asked to dispose of one of the company's theatres.

At the meeting, the shareholders will also consider the advisability of borrowing sufficient money wherewith to pay off the present first and second mortgages and the bank indebtedness. In consideration of such a loan the company would pledge all its assets.

Ore receipts at the Trail Smelter of the Consolidated Mining & Smelting Co., for the period Nov. 22 to Nov. 30, inclusive, amounted to 12,247 tons, and for the eleven months, 373,405 tons.

STEEL OF CANADA CROSSES PAR FIRST TIME SINCE 1911

(Continued from page 1)

ilton company was to control the supply of raw material. On the original board of directors were the names of many leading Canadian business men. The management has not changed greatly. Robert Hobson is to-day president and general manager, while Ross H. McMaster, son of William McMaster, is vice-president and it is believed by those who have watched the course of the organization's progress that he is slated to take over the actual management of the enterprise in time.

Both the preferred and common shares were listed at the beginning of 1912. The preferred sold in the neighborhood of 90 throughout that year and crashed to 69 at the beginning of the war in 1914. From this point it has greatly improved in price and is now selling at well over par.

The common stock went through a period of wide fluctuation before the war and in 1912 sold between 27 to 36 and at the outbreak of the war went down to 11, which was the lowest point reached in its stock market career.

War Brought Prosperity

War orders brought considerable prosperity to the company but the directors took the view that the profits to be derived from these orders would be needed in the difficult period that was bound to follow. A most conservative policy was adopted. A large part of earnings was reinvested in plants and the dividend policy was inaugurated on a very conservative basis. At no time, has more than 7 per cent. been paid on the common stock and this rate has been maintained for seven years.

As a result of this able reinvestment of profits the company's capitalization is most conservative. The value of the assets behind the common stock is over $180 a share.

There has been good business for the company this year and while the plants are only running at about 60 to 70 per cent. of capacity, it is entering a period of country-wide prosperity that is bound to affect it immediately and directly.

Serious handicaps are faced in the form of foreign competition but the ability of the company to weather this and other problems in the difficult period augurs well for its future in better times.

Preferred is Participating

Steel of Canada has demonstrated good earning power and last year earned 12 per cent. on combined preferred and common capitalization.

The combined preferred and common stock capitalization is considered, in this instance because Steel of Canada preferred will participate equally with the common in any dividend disbursements above the present rate of 7 per cent. on each stock.

Earnings last year were satisfactory but it is understood that results in 1925 have still further improved the company's position.

RUSH LINE TO ROUYN

Construction of C.N.R. branch line from O'Brien on Transcontinental south and west to Rouyn goldfields is being rushed. About 1,000 men are employed. ployed.

PECULIAR PROBLEMS OF ST. CAR SERVICE

Confused Hamilton Electors Create Predicament by Adverse Vote

Hamilton city faces a problem because of the electors having turned down the proposal to purchase the street railway from Dominion Power and at the same time refused to approve of terms of a new franchise. The result was that immediately after the vote, the company gave the city notice that it would withdraw service forthwith. A temporary 60-day agreement has been reached, and in the meantime the city and company will get together to try and reach a permanent agreement.

St. Thomas, which has been losing heavily on its street car system for years, has voted to abandon the system and give bus franchises.

Peterboro is not yet ready to take the street railway off the hands of the Hydro-Electric Commission. The proposal was that the city pay $150,000 for the system, and spend $70,000 in fixing it up. The city council agreed that Hydro should fix up the system and put it on a paying basis before the city would buy. They want Hydro also to demonstrate the feasibility of a combination of street cars and buses.

Hydro Commission is asking Windsor to bar buses from the city streets, and when this is accomplished, will place buses in operation in certain districts with free transfers to cars.

London Street Railway is making plans to approach the city for a new franchise.

Plenty of Money to Care for American Business

NEW YORK.—Bank reserves, and consequently credit supply, are abundant and sufficient to accommodate at comfortable rates a volume of production and business turnover nowhere in sight and most unlikely to develop in the near future or at any more remote date for which it would be practicable to forecast. In a word, if we accept official banking figures and picture the Federal Reserve system as functioning as freely in the future as in the past, credit stringency cannot possibly arise in this country, says the Wall Street Journal.

This means that money in the immediate future should not become firmer, but if anything, easier. The organized credit facilities, which are attaining greater perfecton from year to year, if not from season to season, are able to care for any expansion in business which it might be reasonable to expect as within the man power of the country fully applied to production and services.

The cost of collateral loans for the past few months, as represented by the call rate and time money for Stock Exchange houses, has been unwarrantably high and is no index of the real money market.

Prosperous People Pay Taxes

SYDNEY.—Taxes that have been outstanding and well nigh uncollectable for over five years are pouring into North Sydney town hall. Increasing prosperity of the district is given as the cause.

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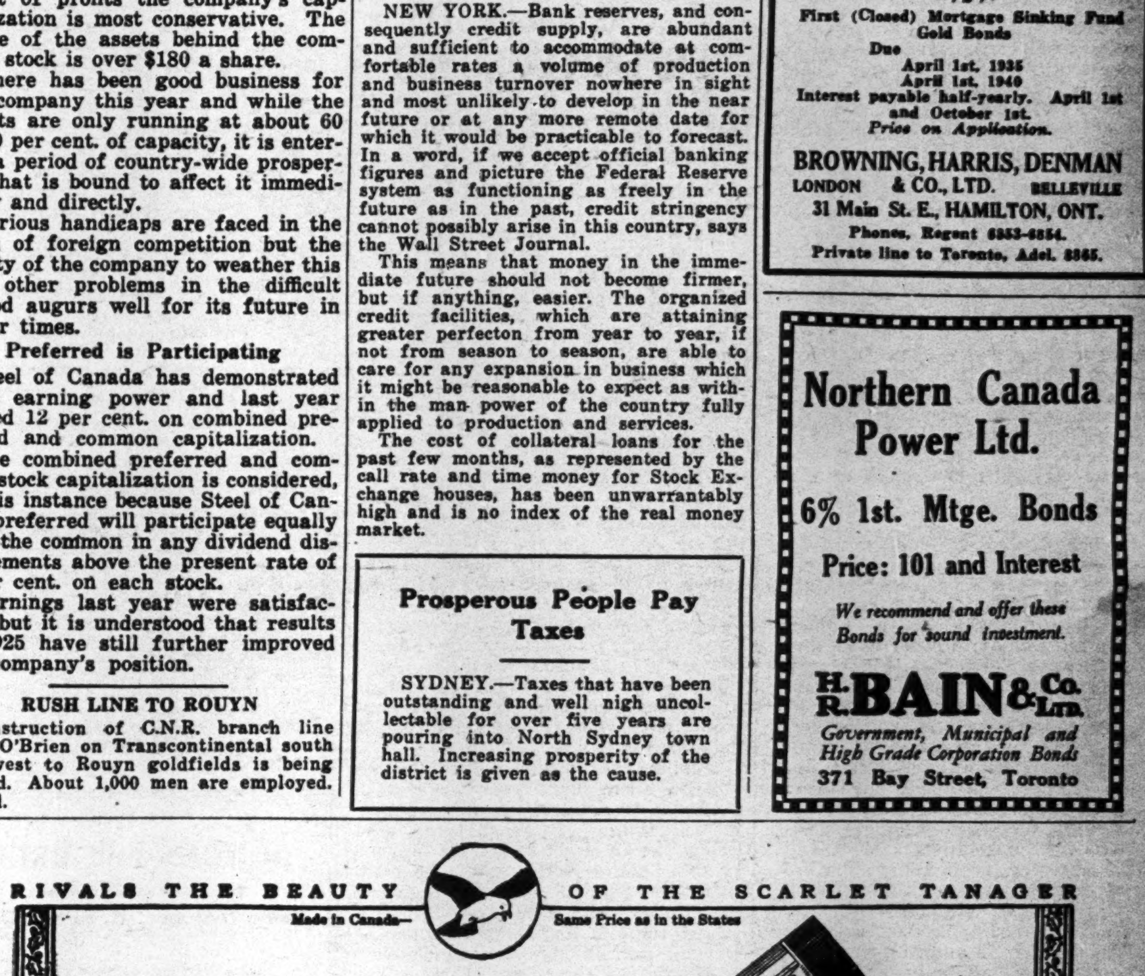

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DOMINION GLASS FAILED TO EARN FULL DIVIDENDS

Action of the Market Indicates Disappointment With Showing

From Our Own Correspondent.

MONTREAL.—The market for the stock of the Dominion Glass Company told the story of last year's earnings before the report made its appearance this week. For the year ending September 30, profits took a sharp decline and stood at $607,037 as compared with $753,370 last year. After paying bond interest, preferred and common dividends, there remained a deficit for the year of $42,463, which reduced the balance at the credit of profit and loss account by a like amount.

In his report to the shareholders, Sir Charles Gordon says that the lowered earnings are attributable to the lower profits which were made, rather than to a diminution of the gross business, which fell off only slightly. There is only a definite amount of business which the companies engaged in the manufacture of glass can obtain, and it is understood that other organizations during the past year have made some inroads in the business of the company. During the year, various extensions have been made to the plants, whilst some of the company's idle property has been disposed of.

A Strong Liquid Position

Despite the lowered earnings, "Glass" continues in its usual strong liquid position with a working capital only fractionally lower than last year. Balance sheet figures show a slight increase in the fixed assets, but the goodwill account is lower by $50,000. The cash on hand shows a material reduction, but this is offset by the drop in accrued charges on the other side of the exhibit.

In the reserves, depreciation has been increased by some $74,000 and the bond sinking fund is, of course, considerably larger.

The profit and loss figures covering the last three years, together with the working capital position figures, follow:

	1925	1924	1923
Profits	$607,037	$753,370	$724,664
Bond Interest and s'k'ng. fund	170,000	170,000	170,000
	437,037	583,370	554,664
Preferred Div. ..	182,000	182,000	182,000
Com. div.	297,500	297,500	297,500
	42,463x	103,870	75,164
Previous bal. ..	1,108,718	1,004,848	929,684
P. & L. bal....	1,066,255	1,108,718	1,004,848

xDeficit.

Working Capital

	1925	1924
Current assets	$3,118,882	$3,259,622
Current liabilities ..	586,996	703,612
Working Capital ...	2,531,886	2,556,010

In his remarks to the shareholders, Sir Charles B. Gordon, the president, says, in part, as follows:

Whilst the gross business shows but slight diminution on the previous year, the profits have not been so satisfactory.

Early in the year, the directors decided to stop the further manufacture of illuminating glassware, as they were amply satisfied that this branch of the business could not, under existing conditions, be carried on in Canada, without loss. The stoppage of these operations and liquidation of the inventories, which has been largely affected, resulted in considerable charges against the revenue of the year.

The policy of greater manufacturing concentration has been continued. Four acres of land adjacent to the Point St. Charles factory in Montreal were purchased some time ago and extensions and improvements have been carried out there during the year. The Hamilton factory site has also been enlarged by the purchase of further land and similar work carried out at that point.

On the other hand, idle property in the cities of Toronto and Hamilton has been disposed of during the year.

CO-OPERATION IN APARTMENT HOMES

Real Estate Credit Plans Are Studied by National Real Estate Boards

CHICAGO. — The intricacies involved in the purchase of co-operative apartments make up one session of the outline of a course in real estate finance that has just been completed by the National Association of Real Estate Boards.

The outline of seventeen sessions with suggested text, reference materials and problems covers the field of financing the purchaser of real estate who supplements his available cash with credit, and the methods, instruments and practices used in this connection. Compiled by the Department of Education and Research of the National Association, the outline will be used by member boards in conducting local real estate courses.

The financing of the home buyer and of the farm purchaser, financing of income property, and subdivisions, are given attention separately in the outline.

A study of financing institutions and customs covers the work of building and loan associations, banks and trust companies, mortgage bankers and investment companies, and the federal farm loan system.

Financing the instalment plan purchaser of real estate involves mortgages, mortgage bond issues and participation certificates, syndicates and stock issues, land trust certificates and ground rent systems, which are covered in the outline.

The economic characteristics of real estate credit and the investment qualities of real estate securities finish the course with a broad study of the financing problems studied in detail during the course.

The Stock Market Record

WEEK ENDING DECEMBER 8

Banks—	Div. Rate	Yield Dec. 7	High for wk.	Low for wk.	Close Dec. 8	Close Dec. 1	Sales for wk.	Range 1925 High	Range 1925 Low
Commerce	12+1	5.79	224	222½	224	223½	859	229½	194¾
Can. Nationale	10	6.49	154	154	154	154	9	155½	148
Dominion	10+1	5.06	217	215¾	217	216	84	217	189
Imperial	12+1	6.24	209½	208	208	209½	56	210	184
Montreal	12+2	5.36	261	259½	260	261	228	271	240
Nova Scotia	16	5.76	283	281	283	280	87	285	262
Royal	12+2	5.64	248	247	247½	246½	426	255½	227¼
Standard	12	6.03	200	196¼	200	195½	74	200	170
Toronto	12	5.60	214	214	214	212	2	217½	192¾
Paper—									
Abitibi, com.	4	5.55	72	71½	71½	71½	1782	75½	62
Do. pref.	7	6.36	110	110	110	105½	100	110	101
Belgo-Can., com.	6	6.06	..	..	..	..	..	100	80
Do. pref.	7	7.17	97½	97	97½	97	2100	99½	95
Brompton	.	....	24	22¾	23	22¾	2358	33¼	19½
Laurentide	6	7.05	86	82¾	85½	82¼	11958	86	73
Price Bros.	2	3.94	51	49½	50¾	49	1082	55½	35½
Prov. Paper, com.	6	5.82	103	103	103	103	50	111¾	92½
Do. pref.	7	6.76	103½	103	103½	103	115	103½	95
Smith, Howard, com.	.	....	38½	38	38½	38¼	125	47	21¼
Do. pref.	8	8.42	96	95½	96	96	147	106	69½
Spanish River, com.	7	6.86	103	102	102	101½	2346	111¾	92½
Do. pref.	7	6.14	115	114	114	113½	190	127	110½
St. Maurice Paper	6	5.82	103¼	102½	103¼	103¼	1000	104¼	80
Wayagamack	.	....	65	64	65	64½	130	65	34½
Steel and Steel Industries—									
B.E. Steel, com.	.	....	3	2¾	3	3	235	4½	1½
Do. 1st pref.	.	....	30	28½	28½	30	120	36	22½
Do. 2nd pref.	.	....	9½	9½	9½	9½	850	14½	6¾
Can. Car & Found., com.	.	....	31½	31½	31½	33	40	57½	32¾
Do. pref.	7	9.39	76	74½	76	76½	260	90¼	76¼
Canada Iron, com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	40	40	40	40	6	35	32
Can. Fairbanks, pref.	.	....	..	..	..	..	..	46	46
Can. Foundries, com.	.	....	..	..	..	..	..	35	15
Do. pref.	.	....	..	..	..	..	..	50	40
Can. Locomotive, com.	.	....	..	..	..	..	..	71½	35
Do. pref.	7	9.21	76	76	76	77	5	90	73½
Dominion Coal, pref.	.	....	..	..	..	..	..	50	39¾
Dominion Iron, pref.	.	....	..	..	..	..	..	30	20
Dominion Bridge	4	4.15	96¼	96	96	97	310	104	77
Dominion Radiator	7	6.93	101	101	101	102	40	102½	98½
Dom. Steel Corp., pref.	.	....	..	..	..	..	..	38	20½
N.S. Steel, pref.	.	....	..	..	..	..	..	32	21
Ontario Steel, com.	4+1	7.14	70	70	70	71	25	75½	41
Do. pref.	7	7.00	100	100	100	99	230	100	91½
Steel of Canada, com.	7	7.05	99	93¼	99	93	4430	99	80½
Do. pref.	7	6.14	114	113	114	113½	115	115½	105
Milling and Foodstuffs—									
Canada Bread, com.	.	....	63½	59	60	58½	762	65	39½
Do. pref. (A)	7	6.48	108	107	96½	96½	93	108	100½
Do. pref. (B)	7	7.29	96½	95½	96½	95½	208	96½	85½
Christie Biscuits, com.	.	....	63	61½	63	62	131	64½	81½
Do. pref.	7	5.93	..	..	..	..	..	118	109½
Can. Bakeries	.	....	39	37	39	39½	455	40	31
Do. pref.	7	7.50	94	93	95	93¼	216	96	93½
Inter. Milling, pref.	7	6.81	103	102½	103	102	90	103	96¾
Lake of Woods, com.	12	6.85	175	172½	175	175	15	193	169
Do. pref.	7	6.03	..	..	..	..	..	125½	115
Maple Leaf, com.	.	....	94	93	93	93	40	100	80
Do. pref.	7	6.69	104½	104	104½	103	7	104½	96
Ogilvie Flour, com.	5+3	4.84	165	165	165	165	125	180½	135
Do. pref.	7	5.83	..	..	..	..	..	127	120
Shredded Wheat, com.	10	6.06	168	166	168	162½	125	168½	148
St. Law. Flour, com.	.	....	35½	35½	35½	35½	30	65	27
Do. pref.	7	8.53	..	..	..	..	..	82	78½
West Can. Flour	8	6.66	..	..	..	..	..	120	104½
Utilities—									
Bell Telephone	8	5.67	141¼	140½	141¼	140	422	142	132¾
Consumers Gas	10	5.70	175	174½	175	175	67	175½	164
Inter. Utilities (B)	.	....	..	..	..	..	..	9½	7½
Jamaica Pub. Ser., pref.	7	7.14	98	97½	98	98	15	98½	96¾
Kaministiquia	8	5.71	..	..	..	..	..	140½	100
Laurentide Power	5	4.76	105	105	105	103½	114	108	93½
Mackay, com.	7	5.32	134	131¼	131½	133	496	142	114½
Do. pref.	4	5.57	72	70½	72	71	355	77½	67
Mexican Light, com.	.	....	..	..	..	..	..	34	22
Do. pref.	.	....	..	..	..	..	..	62	57
Mont. L. H. & Pr. Cons.	8	3.75	215	208	215	208	7982	220	152
Montreal Telegraph	8	6.40	..	..	..	..	..	55	45
Ottawa L. H. & Pr.	6	6.12	98¾	98¾	98¾	98	12	103½	95
Do. pref.	6½	6.34	102½	102½	102½	102½	35	109	100
Quebec Power, com.	5	4.54	110	109¼	110	109	115	119	85
Do. pref.	7	6.19	113	113	113	114	11	115	103½
Shawinigan	8	4.73	169	161½	169	161½	837	175	130½
Shawinigan Rights	.	....	3¼	2½	3½	3	3381	3½	3
South Can. Power, com.	1.00	....	80½	80	80	80	1075	84	67
Transportation—									
Can. Pacific Rly.	10	6.80	147½	145	146	147	341	152½	137
Can. Steamships, com.	.	....	12	11½	12	11	55	13½	10
Do. pref.	.	....	57	53½	56	53½	1865	64½	42
Tractions—									
Barcelona	.	....	28½	28	28½	29	160	29	18½
Brazilian, com.	4	5.00	80	75	79½	74½	37004	83½	49½
Do. pref.	6	6.06	99	99	99	97½	70	99	95
Detroit United	.	....	3½	3	3½	3½	550	29	½
Duluth-Superior	.	....	33	32½	32½	30½	275	42	29
Illinois Traction, pref	6	6.25	96	96	96	96	5	96	92
Montreal Trams	10	5.60	..	..	..	..	..	187	160
Ottawa Traction	4+1	7.81	64	64	64	64	63	66½	61
Porto Rico Rlys., com.	.	....	40	40	40	40	45	46½	35½
Do. pref.	7	7.86	89	89	89	89	3	91½	84½
Quebec Rly.	.	....	..	..	..	..	..	24½	20
Twin City, com.	4	5.33	75	73¾	74½	75	1376	75	58
Do. pref.	1	....	..	..	..	..	..	97	94½
Winnipeg Elec., com.	1	....	48½	47	47	47	1557	53½	35½
Do. pref.	7	7.36	95	94½	95	94	40	99½	87
Textiles—									
Can. Conn. Cotton, pref.	1	....	51½	50	50	47½	227	51½	39
Can. Converters	7	7.91	89½	88½	89½	88	240	92	80
Can. Cottons, com.	8	6.83	119	117	119	117	30	124½	106
Do. pref.	6	6.21	96½	93½	96½	95½	6	96½	90
Can. Woollens, com.	.	....	..	..	..	..	..	15	5½
Do. pref.	.	....	..	..	..	..	..	61	40
Dom. Textile, com.	5	5.57	90	89	90	89½	353	93½	66
Do. pref.	7	5.90	..	..	..	..	..	118½	66
Monarch Knit, com.	.	....	..	..	..	..	..	45	30
Do. pref.	.	....	..	..	..	..	..	80	45
Montreal Cottons, com.	6	5.88	..	..	..	..	..	105	95
Do. pref.	7	6.25	..	..	..	..	..	117½	109
Penmans, com.	8	4.44	181	179½	179½	180	120	185	144
Do. pref.	6	5.91	103	103	103	101½	10	105½	99
Wabasso Cotton	4	6.06	66	66	66	65	10	66½	55½
General Industrials—									
Amer. Salesbook, com.	4.00	6.95	60	57½	60	57½	149	60½	38
Do. pref.	7	7.44	94	94	94	93¾	61	94	88
Asbestos, com.	6	6.38	94	93	94	95	325	98	35
Do. pref.	6	5.26	115	114½	115	115	723	117	73½
Atlantic Sugar, com.	.	....	35	32	33½	33½	4887	37½	13
Do. pref.	.	....	83	82	82	81	345	88½	40
Bird & Son, pref.	7	8.40	..	..	..	..	..	83½	80
B.C. Fishing	.	....	62¼	59½	62	59¼	4400	62¼	19
Burt, F. N., com.	12	4.68	64	63½	63¾	63½	306	67	44
Do. pref.	7	2.76	..	..	..	..	..	253	142½
Brantford Cordage, pref.	2	....	27	26½	27	26	206	28	25
Can. Canners, com.	.	....	14¼	14	14½	13½	230½	15	11½
Do. pref.	.	....	68½	66½	68½	67½	1916	69½	53½
Canada Cement, com.	6	5.82	103½	101½	103½	101½	946	114	90½
Do. pref.	7	6.06	116	115½	116	115½	135	117½	107
Can. Gen. Electric, com.	.	....	..	..	..	..	..	55	53
Do. pref.	7	6.03	58	57	57½	56¼	110	60	50
Can. Indust. Alcohol	1.28	8.00	16½	15¾	16	16¼	2182	20½	14
Canadian Salt	8	5.51	..	..	..	..	..	154½	112
Carr. Factories, com.	.	....	..	..	..	..	..	212	1
City Dairy, com.	12	3.70	81½	81	81	80½	125	90½	65
Do. pref.	7	6.51	107½	107½	107½	108	6	110	104½
Cons. Rubber, pref.	7	....	88	88	88	85	50	90	85
Crows Nest Coal	6	....	50	49	50	50	488	55½	35
Cuban Con. Sugar, com.	.	....	..	..	..	..	..	10	3½
Do. pref.	.	....	..	..	..	..	..	44½	25
Dom. Canners, com.	7	....	..	..	..	..	..	186	56½
Do. pref.	7	....	..	..	..	..	..	112	94
Dom. Glass, com.	7	7.21	97	91	94½	97	276	116½	100
Do. pref.	7	6.14	..	..	..	..	..	115	110½
Dominion Stores, com.	1.00	....	..	..	..	..	..	72¾	28½
Do. pref.	8	7.61	107	107	107	105	105	109	97½
Do. Rights	.	....	..	..	..	..	..	12½	4
Wm. Davies (A)	.	....	36	35	35	36	299	36	24
Dodge Bros., com	.	....	..	..	..	..	..	46½	22
Do. pref.	7	7.91	..	..	..	..	..	89½	80½
Eastern Theatres, com	.	....	18½	18½	18½	18½	79	19½	14
Do. pref.	.	....	86	86	86	85	20	88	70
Ford Motor	10	....	..	..	..	..	..	512	488
Gilman, com.	6	5.45	..	..	..	..	..	108¼	80
Do. pref.	7	6.16	..	..	..	..	..	116	100
Goodyear Tire, pref.	7	7.33	95½	94½	95½	94½	433	100½	90
Gould Mfg., com.	6	6.00	100	100	100	100	25	100	90
Holt Renfrew, pref.	7	8.48	..	..	..	..	..	82½	65
King Ed. Hotel	.	....	32	31½	32	25	30	27	20
Lyall Construction	.	....	27	23	25	21½	265	29	11
National Brew., com.	4	7.14	56	53¾	56	54¼	10993	68	42
Do. pref.	7	6.65	105½	105½	105½	107	200	110	98
National Brick, com.	.	....	..	..	..	..	..	18	15
Do. pref.	7	9.79	72	71½	72	72	150	79½	70
Pacific Burt, com.	6	6.74	..	..	..	..	..	96	87
Do. pref.	7	6.94	..	..	..	..	..	107	100½
Port Hope Sanitary, com	.	....	..	..	..	..	..	85	53
Do. pref.	7	7.07	..	..	..	..	..	100	88
Pure Gold Mfg.	50c	....	..	..	..	..	..	27	21½
Rogers, Wm., com.	.	....	..	..	..	..	..	65	50
Do. pref.	7	7.95	88½	88½	88½	88½	30	95	88
Russell Motor, com.	.	....	40	40	40	40	25	44½	24
Do. pref.	7	8.28	84½	84½	84½	85	30	88	74½
Sawyer-Massey, com.	.	....	..	..	..	..	..	1	1
Do. pref.	.	....	..	..	..	..	..	20½	5
Sherwin-Williams, com.	6	4.87	123	123	123	125	30	130	115
Do. pref.	7	6.30	111	111	111	110	27	111	104¾
Sterling Coal	4	10.00	..	..	..	..	..	53	39
Tooke Bros., com.	.	....	..	..	..	..	..	8	8
Do. pref.	.	....	..	..	..	..	..	62½	37
Tuckett Tobacco, com.	4	6.06	67	66	67	66	60	70	59
Do. pref.	7	6.86	..	..	..	..	..	103	96½
Woods Mfg., com.	.	....	..	..	..	..	..	49	20
Do. pref.	7	9.09	77	77	77	77	20	78½	64½
Western Grocers, com.	.	....	12½	11¾	12	12	315	14½	4½
Do. pref.	.	....	52	52	52	52	75	54	38
Trust and Loan—									
Canada Landed	10	5.26	94	94	94	95	8	97	80
Canada Permanent	12	5.85	205	205	205	205	21	208	190
Colonial Invest.	6	....	..	..	..	..	..	5½	4
Hamilton Prov.	10	6.41	..	..	..	..	..	156	154
Huron & Erie	7	....	..	..	..	..	..	130	125
Landed Banking	9	6.16	..	..	..	..	..	145	142
Montreal Loan	12+1	6.50	..	..	..	..	..	50	48
National Trust	12	5.82	..	..	..	..	..	228	210
Ontario Loan	11	5.23	108½	108½	108½	105	10	105	99
Real Estate Loan	7	8.23	..	..	..	..	..	88½	85
Toronto Gen. Trusts	12	5.58	217	217	217	215½	12	217	108
Toronto Mortgage	10+1	5.97	..	..	..	..	..	92	87½
Union Trust	7	7.77	..	..	..	..	..	90	85½

THE CURB MARKET

	Div. Rate	Yield Dec. 7	High for wk.	Low for wk.	Close Dec. 8	Close Dec. 1	Sales for wk.	Range 1925 High	Range 1925 Low
British Amer. Oil	8+2	5.10	49¼	47½	49	48	4064	49½	36½
Can. Oil, com.	.	....	59	58	59	59	30	60	38
Do. pref.	8	....	97¾	97¾	97¾	97	25	100	97
Continental Oil	25c	1.00	26½	24½	25½	24½	1489	29	22¼
Imperial Oil	1.00	2.74	37½	34½	36½	35½	11394	37½	27½
Inter. Petroleum	75c	2.20	35½	33½	34¼	34½	12727	35½	22¾
North Star, com.	.	....	1.00	1.00	1.00	1.00	3285	1.60	.75
Good. & Worts	.	....	200	170	198	153	400	200	120

UNLISTED SECURITIES

Industrials, Utilities, etc.—	Bid	Asked
Brooks Steamer (1 pref, 2 com.)	4½	6
Can. Machinery, com.	4	7
Can. Machinery, pref.	13	17
Can. Westinghouse, com.	151	155
Cockshutt Plow, pref.	44	46
Cosgrave Brewery	3¼	4½
Dom. Combing (1 pref, 2 com)	25	35
Dom. Power, pref.	94	96
English Electric, com.	14	16
English Electric, pref.	56	58
Famous Players, com.	11	12½
Gunns, Ltd., pref.	29	31½
Imperial Tobacco	6	7
King Edward Hotel, Deb. A.	74	78
King Edward Hotel, Deb. B.	54	58
K. & S. Tire, pref.	7	11
Loew's Toronto, com.	28	31
Loew's London, com.	2¼	2½
Loew's Ottawa, pref.	12½	16½
Massey-Harris	63	64
Mount Royal Hotel, com.	6	7
Mount Royal Hotel, pref.	40½	43
North Mexico Power, com.	44	47
R. Simpson, pref.	99	..
Willard's, pref.	72	..
Loblaw Groceterias, com.	50	52
Capital Life 25% Paid	22½	25
Continental Life 20% Paid	88	..
Crown Life	119	..
Empire Life	20	..
Excelsior Life 26% Paid	39	..
Great West Life	345	..
Imperial Life	160	..
Monarch Life 10% Paid	15½	17
Manufacturers Life 20% Paid	76	..
Montreal Life 20% Paid	25	..
National Life 25% Paid	47	..
Re-Insurance	11	14½
Security Life 40% Paid	33½	37
Sovereign Life 25% Paid	23	26
Sun Life 35% Paid	155	..
Sun Life 50% Paid	220	..
Comm. Finance, pref.	20	63
Comm. Finance, com.	10½	12
Manfrs. Finance 50% com.	7½	8½
Mortgage Dis., pref.	7	7½
Toronto Finance, pref.	5	6

RAILWAY EARNINGS

Canadian Pacific Railway

Week end:	1925	1924	Change
Nov. 30	$5,845,000	$4,839,000	+$1,006,000

Canadian National Railways

Week end:	1925	1924	Change
Nov. 30	$7,240,034	$5,936,310	+$1,303,724

UNITED GRAIN GROWERS LIMITED

BALANCE SHEET

AND

PROFIT AND LOSS ACCOUNT

AS AT 31st AUGUST, 1925

GENERAL PROFIT AND LOSS ACCOUNT

By Earnings			$2,667,469.81
Consisting of Profits from Grain, Storage and Handling Charges, Farm Supplies, Dividends from Investments, etc.			
To Expenses		$1,594,205.73	
Consisting of Wages and Expenses Operating Country and Terminal Elevators, Handling and Selling Expenses of Farm Supplies, etc., and General and Administrative Expenses, etc.			
To Fixed Charges		654,689.62	
Consisting of Depreciation, Insurance, Taxes, Elevator Rentals and Interest on Bonds, Debentures and Mortgages.			
			2,248,895.35
Balance, being Profit, subject to Government Taxes, carried to Balance Sheet			$ 418,574.46

GENERAL BALANCE SHEET

ASSETS

CURRENT ASSETS			$4,473,868.15
Funds in Bank and on Hand		$ 659,225.99	
Bonds, at cost		843,301.25	
C.N.R. (Dom. Govt. guaranteed), C.P.R., Prov. of Ontario, etc.			
Advances on Bills of Lading and Other Debts Due to the Company		375,989.88	
After providing for estimated Doubtful Accounts.			
Stocks of Grain and Farm Supplies		577,176.06	
As per Certified Inventories.			
Miscellaneous Supplies, Accruals and Deferred Expenses		168,616.12	
As per Certified Statements.			
Stocks and Shares and Exchange Memberships		1,770,662.00	
		$4,394,971.30	
Advances to Subsidiary Companies		78,896.85	
		$4,473,868.15	
CAPITAL ASSETS			5,290,546.43
Elevator Buildings and Machinery, Warehouses and Miscellaneous Equipment		4,798,615.19	
Real Estate		400,610.85	
Office Furniture and Equipment		91,320.39	
		$5,290,546.43	
			$9,764,414.58

LIABILITIES

CURRENT LIABILITIES			$1,366,500.22
Outstanding Cheques		$ 317,025.14	
Outstanding Orders and Cash Tickets		73,392.70	
Accounts and Bills Payable (including Sundry Accruals)		484,894.17	
Shareholders' Dividends		241,798.35	
		$1,117,110.36	
Deposits by Subsidiary Companies		249,389.86	
NOTE—In addition to the above Liabilities the Company is contingently liable in respect of guarantees for Bank and other Loans of Subsidiaries, etc., of $299,000.00.		$1,366,500.22	
CAPITAL LIABILITIES			2,101,218.99
First Mortgage Bonds (maturing 1st January, 1940)		$ 951,920.25	
The amount authorized is $2,000,000.00, of which $1,050,000.00 has been issued.			
Amount Outstanding 31st August, 1924	$ 986,000.00		
Less: Redeemed by Trustee through Sinking Fund during year and Cancelled in Terms of Trust Deed, Article 4, Section 4	33,000.00		
	$ 953,000.00		
Less: Funds in Hands of National Trust Co. Ltd. as Trustee—In Terms of Certificate	1,079.75		
	$ 951,920.25		
Mortgages		1,075,798.74	
Debentures (maturing 1st March, 1938)		73,500.00	
Amount Issued	$ 87,500.00		
Less: Redeemed and Held in Sinking Fund	14,000.00		
	$ 73,500.00		
		$2.101,218.99	
CAPITAL STOCK			2,890,627.88
Amount Subscribed		$3,231,850.00	
Amount Unpaid		341,222.12	
		$2.890.627.88	
RESERVES			2,828,464.59
General		$1,203,182.00	
Amount as at 31st August, 1924	$1,203,017.00		
Premiums on Capital Stock (Net)	165.00		
	$1.203,182.00		
Depreciation		1,625,282.59	
On Elevator Buildings and Machinery, Warehouses, Office Furniture and Equipment.		$2.828.464.59	
PROFIT AND LOSS ACCOUNT			577,602.90
Amount Brought Forward from Previous Year		$ 462,845.48	
Less: Dominion Government Taxes Paid		72,723.30	
		$ 390,122.18	
Profit for Year, Subject to Taxation		418,574.46	
		$ 808,696.64	
From which has been appropriated:			
Shareholders' Dividend at 8% per annum		231,093.74	
		$ 577,602.90	
			$9,764,414.58

Signed on behalf of the Board of Directors:—

T. A. CRERAR, President. C. RICE-JONES, First Vice-President.

Winnipeg, 5th November, 1925.

We beg to report to the Shareholders that we have audited the Books and Accounts of United Grain Growers, Limited, for the year ending 31st Aug., 1925, and we hereby certify, that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs as at that date, according to the best of our information and the explanations given us and as shown by the Books of the Company. The quantities and values of the Stocks of Grain, Farm Supplies, etc., are in accordance with inventories and valuations prepared and certified to by the Company's officials, whilst the securities covering the investments in Stocks, Shares, and Memberships, have been produced for our inspection or authenticated by certificates from the Company's Bankers. All our requirements as Auditors have been complied with.

(Signed) JOHN SCOTT & CO., Chartered Accountants.

The Laurentide Company
Limited

Manufacturers of
Ground Wood - Sulphite Pulp
Wood Boards and Newsprint Paper

GRAND'MERE -:- QUEBEC

The Wabasso Cotton
Company, Limited

THREE RIVERS, P. Q.

Manufacturers of Fine White Cotton,
also Spinner's Fine Counts of Yarns

Penmans
LIMITED

Manufacturers of High-Grade
Knit Underwear, Hosiery, Sweaters

MILLS AT
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ALMONTE, Ont. COATICOOK, Que. and ST. HYACINTHE, Que.

General Office: Paris, Ont.
Selling Agents to Wholesale Trade:
JOHN GORDON & SON,
Toronto and Montreal

DOMINION BRIDGE CO.
LIMITED
MONTREAL, P.Q.

ENGINEERS, MANUFACTURERS *and*
ERECTORS *of* STEEL STRUCTURES

HEAD OFFICE AND WORKS:
Lachine Locks, P.Q.
P.O. Address, Montreal, P.Q.

BRANCH OFFICE AND WORKS:
Toronto, Ottawa and Winnipeg.

Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

Atlantic Sugar Refineries
LIMITED

Lantic Sugar

General Offices:
211 McGILL STREET
MONTREAL

Refineries - St. John, N.B.

CPTC

THE CANADA PERMANENT TRUST CO
Head Office:
CANADA PERMANENT BUILDING, TORONTO

PAID-UP CAPITAL ONE MILLION DOLLARS

Acts as
Executor, Trustee, Administrator, Guardian, Registrar and
Transfer Agent, and in all Trust or Agency Capacities

DIRECTORS:
W. G. GOODERHAM, *President*
E. R. C. CLARKSON, *Vice-President*
GEORGE H. SMITH, *General Manager*
Col. A. E. GOODERHAM F. GORDON OSLER
WILLIAM MULOCK, K.C. WILLIAM STONE
GEORGE W. ALLAN, K.C., Winnipeg, Man.
A. B. CAMPBELL, W.S., Edinburgh, Scotland
NORMAN MACKENZIE, K.C., Regina, Sask.

Ontario Branch:
CANADA PERMANENT BUILDING, TORONTO ST., TORONTO
Manager: A. E. HESSIN

HIGHER SULPHITE PRICE FAVORABLY AFFECTS NEWSPRINT

Will Benefit Canadian Mills Throughout — Increased Cost to Competitors

From Our Own Correspondent.

MONTREAL.—That the recent increase in the price of sulphite pulp may have far-reaching effects on the Canadian pulp and paper industry as a whole is the opinion of one of the leading pulp and paper men here. Sulphite pulp production may be divided into four categories: bleached, easy-bleaching, strong sulphite, and bleached pulp for rayon manufacture. In the past month or two the prices of all four grades have moved sharply upwards and prices are now anywhere from $5 to $10 per ton higher. The two factors which have been chiefly responsible for this betterment have been the increased world demand for chemical pulp, for paper and rayon manufacture, which, in turn, has resulted in a decrease in the amount of Scandinavian pulp coming into the United States. This has, of course, resulted is the improved demand for the Canadian output in its largest market, the U. S.

The first effect of these increased prices is naturally better earnings for the Canadian sulphite mills. This has already been noted. Another effect will be to increase the production of sulphite, which might naturally be expected to bring prices downward again, but it is thought that the rapidly increasing use of chemical pulp in the manufacture of rayon will take care of any increases which might come on the market through Scandinavian or other mills turning out more sulphite in preference to other lines of production. This indicates, too, that prices for sulphite will continue to be strong. Moreover, the world's productive capacity of this form of pulp has not been increased during the last few years on account of the low prices.

Naturally there are probably mills which have been stressing other forms of production of late which will, through the higher prices, increase their output of sulphite considerably.

Canadian Mills Are Complete

In Canada there are several newsprint mills which, in addition to supplying their own strong sulphite requirements—newsprint consists of about 25 per cent. strong sulphite and 75 per cent. groundwood pulp—are capable of producing a surplus of sulphite. The mills thus situated are fortunate in that they will now be able to manufacture and sell this surplus production at a nice profit. This is one of the beneficial effects which mills, other than sulphite mills, will feel from the better chemical pulp markets.

There is one other indirect effect which should be welcomed by all the newsprint companies in Canada: it is this: Higher sulphite prices will increase the costs of the U. S. producers of newsprint. A thing greatly to be desired from a Canadian point of view, for, at the present time, with such a large increase in the Canadian output of newsprint projected or under way, there are some manufacturers who are inclined to wonder about the future course of newsprint prices.

Hastening the Migration

It is generally admitted that the trend of the newsprint industry is from the United States towards this country. Indeed, some of the American mills have already turned from the production of newsprint to other varieties of paper. But any factors such as increased costs of raw materials for United States mills, which will hasten the migration, should prove of material benefit to the Canadian newsprint industry.

The reason why the more expensive sulphite affects the United States and not the Canadian mills is because, practically without exception, Canadian mills operate as complete units; that is, they produce their own sulphite requirements, whereas a large percentage of the American newsprint producers operate only groundwood mills and are dependent on either Canadian or Scandinavian sulphite. In the meantime, it is understood that the demand for chemical pulp is even strengthening.

Chicago Interests Acquire Maritime Power Plants

From Our Own Correspondent.

MONTREAL.—The Albert E. Pierce Company, of Chicago, are at present negotiating for the sale of the Main and New Brunswick Power Company, the Gould Electric Company and the Carlton Electric Company. The last named owns the distribution system whereby electricity is sold in the St. John river valley. Power is obtained from the Gould Electric Company's lines at Bridgewater, Maine. The Woodstock Electric Company is also to be included in the deal.

It is understood that the option given on the Woodstock Electric Company which was formerly controlled by the late Hon. F. B. Carvell, is for $80,000. It is understood that the whole deal will involve some $200,000. Definite decision will be arrived at by December 15, but it is reported that the sale is practically consummated now.

International Paper is Steadily Expanding

From Our Own Correspondent.

MONTREAL.—International Paper is now completing a series of purchased timber limits in addition to those acquired through the taking over of Riordon. These are making it the largest limit holder in Quebec province and probably a leading one in the world.

Though the deals are not altogether complete, it is learned that the company has now taken over the Gilmour timber limits in the upper Ottawa and, within a few months, work is to be started on the development at the Des Chats waterfalls, which may be preliminary to the supply of a large quantity of power.

These waterfalls are located at about 30 miles west of Ottawa. It is expected that interesting developments will arise in this connection, as both Quebec and Ontario are interested in any coming development, and also as some regulation of the upper river may have to be settled before as much as 100,000 horsepower can be developed. In the meantime, the International is said to possess already rights to some 13,000 square miles, and is ready to go ahead and exploit them.

Mead-Donohue Project Acquires New Limits?

From Our Own Correspondent.

MONTREAL.—The Bayless Pulp and Paper Company of Binghampton, N. Y., has contracted to sell its Canadian timber limits, covering 350 square miles, and including the St. Annes River watershed, to a syndicate whose name has not yet been made public at a price in excess of $2,000,000.

A large sulphite and newsprint mill will be built at Beaupre, P. Q., in which the Bayless Company will retain an interest. It is understood that this new mill will be erected by the George H. Mead interests in conjunction with Donohue Brothers, of Murray Bay, P. Q. The Mead interests are behind Spanish River, whilst Donohue Brothers produce 120 tons of mechanical pulp daily at Murray Bay. It is reported that Donohue Bros. will supply the groundwood for the projected mill.

One More Newsprint Company is Operating

From Our Own Correspondent.

MONTREAL.—Another company was added to the ranks of Canada's newsprint producers last week when the Beaver Wood Fibre Company's new plant, at Thorold, Ont., entered production. The newly completed addition to the plant has a daily production of 70 tons of newsprint. Previous to entering the newsprint business, the company's daily production consisted of 150 tons of groundwood and 180 tons of board.

Eastern Engineering Co. Shareholders to Meet

From Our Own Correspondent.

MONTREAL.—The Eastern Engineering Company will hold a special general meeting of its shareholders to consider the steps to be taken to provide funds for the payment of the company's present liabilities and for carrying on the development of the company's patents and to authorize the reorganization of the company by means of a voluntary liquidation or to pass the necessary resolutions for any such purpose as will enable the company to carry on.

Canada Steamship Lines' Earnings to Show Increase

From Our Own Correspondent.

MONTREAL.—Reports based on statements by officials of the Canada Steamship Lines indicate that the company's net for the year just coming to a close will be between $500,000 and $600,000 ahead of 1924. This would mean a showing of some $5 or $6 per share on the preferred stock.

During the past year much has been accomplished; new boats have been purchased, unprofitable assets have been disposed of and the company's cash position has been built up.

The company has a considerable amount of notes outstanding to meet by the end of June next; consequently, it is thought that the matter of dividend disbursements will be held in abeyance.

U.F.O. Shareholders Vote to Delay Their Dividends

Athough the directors of the U. F. O. Co-operative Company had declared a dividend of 8 per cent. on the outstanding stock as the result of operations for the year ending September 30, the shareholders at the annual meeting of the company this week voted that the payment be deferred and it will now be paid at such time as the directors deem advisable. H. B. Clemes, company manager, suggested that the dividend be paid for a year. By that time the company would be in a position, he felt, to declare another, he hoped, and the two dividends, then, could go out together. Deferred payment would mean a saving to the board of $2,000, for it would cost all of that sum to distribute the dividend. Moreover, as J. J. Morrison, U. F. O. secretary, pointed out, the share to each of 8,000 shareholders would amount to 75 cents only, while 6,000 others would draw but 37 cents apiece.

Feeling was expressed in some quarters that the larger stockholders might object to such action, but Mr. Morrison quoted statistics to show that there were only 35 one-thousand stockholders in the institution. E. C. Drury declared that while this year's financial statement was ahead of last year's, there was a greater need for capital now.

Tobacco Products Takes United Cigar Shares

Tobacco Products Corp., which controls Tucketts Tobacco Co., Hamilton, is to offer 144,434 common shares to shareholders at $80 to provide funds to take up 300,000 common shares of United Cigar stores common at $25 and to pay off current indebtedness. Tobacco Products as owners of around 1,200,000 shares of United Cigar will subscribe for the new common on the basis of one for four. That, it is estimated, will take over $7,500,000.

The largest item of current indebtedness, revealed by the balance sheet as of December 31, 1924, was $4,000,000 in bank loans. Against this was cash of slightly more than $1,000,000.

There have been rumors that Tobacco Products has had under consideration some sort of dissolution plan or a partial distribution of its holdings of United Cigar Stores common. Nothing of this sort is contemplated, it is understood, for the immediate future, nor has there been any discussion with respect to distribution of its United Cigar holdings in any form.

Rights to take up the new Tobacco Products stock expire Jan. 21. Shareholders of record Dec. 31 will receive a dividend of one-fifth of a share of Happiness Candy Stores for each share of Tobacco Products common.

FORD OF CANADA VALUATION

The physical value of the assets of Ford Motor of Canada has been placed at $13,071,464. These figures were submitted to the court at Sandwich in a taxation dispute.

Belgo-Canadian Paper Company
Limited

Manufacturers of
Groundwood, Sulphite Pulp and
Newsprint Paper

MILLS AT
SHAWINIGAN FALLS, QUE.

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

PORT ALFRED PULP &
PAPER CORPORATION

HEAD OFFICE:
INSURANCE EXCHANGE BUILDING
MONTREAL, P.Q.
Mills at PORT ALFRED, P.Q.

DOMINION TEXTILE CO., LIMITED

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MANUFACTURING
ALL LINES OF WHITE AND GREY COTTONS, PRINTS, SHEETINGS, SHIRTINGS, PILLOW COTTONS, LONG CLOTHS, CAMBRICS, DUCKS, BAGS, TWILLS, DRILLS, QUILTS, BUREAU COVERS, TOWELS AND TOWELLING, YARNS, BLANKETS, RUGS, TWINES

AND NUMEROUS OTHER LINES USED BY MANUFACTURERS IN RUBBER AND OTHER TRADES.

MONTREAL TORONTO WINNIPEG

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POWER CONSUMED USED AS INDEX OF INDUSTRIAL TREND

Bank Adopts Barometer Based on Kilowatt Hours Generated

On the ground that there are few compilations of statistics, really indicative of the activity of Canadian industry, the Royal Bank of Canada, in it December letter, points out that the volume of sales on the stock exchange and the average price level of securities give a trend only partially accurate because the market in Canada is so limited that the sudden activity of even a single issue may have too much effect on market averages.

The objection to total car loadings is that they are too much influenced by the volume of production in agriculture and forestry. Much of this same objection holds against exports, and in this last case matters are further complicated by the fact that after all there may be little relationship between total volume of manufacturing and volume of goods exported. From this viewpoint, statistics showing the total kilowatt hours generated by the central power stations of Canada are of double interest to those who desire to gauge the activity of Canadian industry, since they not only show increasing use of power, but they also indirectly indicate the growth in power-using industries.

While it is true that there are several factors which prevent electric power generation from being an accurate index of general industry, yet this form of power is in such widespread use in Canada that the compilation over a long time of figures showing the amount of power generated, may be expected to give a clearer insight into Canadian conditions.

With this object in view, monthly figures from January, 1923, to August, 1925, have been collected from central electric stations controlling more than 90 per cent. of the installed turbine capacity of Canada. The figures for the whole of Canada are presented in the following table:

Kilowatt Hours

Generated Daily by Central Stations Throughout Canada.

92 per cent. of industry (000) omitted.

Month	1923	1924	1925
January	18,784	20,613	22,727
February	19,189	20,823	22,623
March	18,932	20,223	21,921
April	18,516	20,563	21,879
May	19,188	20,369	21,664
June	18,690	19,307	20,537
July	18,047	19,011	20,870
August	18,923	19,376	20,510
September	19,516	20,454	22,299
October	20,263	21,233	.....
November	20,797	21,998	.....
December	20,005	22,894	.....

Because of the varied uses to which these figures may be put, it has been thought best to give the totals of the actual figures submitted rather than make corrections which might make them less useful to those who desire to work with them. But anyone desiring to make close interpretations of these statistics should make allowance for the following factors:

1. Since the reporting stations control 92 per cent. of the installed turbine capacity for central stations, multiplication of each number by 1.07 will give a very close approximation of the total power generated by Canadian central stations.

2. In the future we may find certain increases due to electrification of steam roads or electrification of steam plants which have difficulty in obtaining coal. There is no possibility of eliminating the effects of such changes from our figures, and those who seek to interpret power figures must be prepared to make allowances for such changes.

3. The original returns called for total kilowatt hours generated, not including purchased power nor power used for steam production, since such power may be regarded as a surplus.

4. Where power has been sold to other central stations, this amount has been deducted from the returns of the buying stations, thus eliminating duplication.

Public Utility Earnings

JAMAICA PUBLIC SERVICE

September —	1925	1924
Gross earn.	$ 48,869	$ 45,860
Net earn.	17,374	14,377
Surp. after chgs.	11,066	7,802
12 months ending September 30—	1925	1924
Gross earn.	$607,912	$571,595
Net earn.	214,407	184,148
Surp. after chgs.	134,158	106,944

ASSOCIATED GAS & ELECTRIC SYSTEM

(12 months ended Sept. 30)

	1925	1924	Increase
Gross earn.	$14,341,612	$4,428,133	$9,913,479
Oper. exp., main. and taxes	8,524,365	2,768,444	5,755,921
Net earn.	5,817,247	1,659,683	4,157,558
Fixed chgs. and other deduct.	3,528,118	819,191	2,708,927
	2,289,129	840,498	1,448,631
Pref. dividends	638,535	219,578	418,957
	1,650,594	620,920	1,029,674
Class A div.	361,781	......	361,781
Bal. for property retire., res., Class B div. and surplus	1,288,813	620,920	667,893

CAPE BRETON ELECTRIC

September—	1925	1924	Increase
Gross earn.	$ 45,432	$ 49,490	x$ 4,057
Oper. exp. & taxes	35,039	41,612	6,375
Net earn.	$10,393	$ 7,877	$ 2,515
Int. charges	5,718	5,741	x 22
Bal. (for res. div., etc.)	$ 4,674	$ 2,136	$ 2,538
12 mos. end. Sept. 30	1925	1924	Inc.
Gross earn.	$571,658	$686,741	x$115,082
Oper. exp. & taxes	493,698	544 049	x 50,350
Net earn.	$ 77,960	$142,692	x$ 64,732
Int. charges	68,746	68,367	379
Bal. (for res., div., etc.)	$ 9,213	$ 74,325	x$ 65,112

x Decrease.

Duluth Common Dividend Is Further Deferred

The directors of Duluth-Superior Traction have again deferred action in regard to dividends on the common shares. The usual quarterly disbursement of $1 on the preferred has been made. Early in the year it was anticipated that the distribution on the common shares would be resumed but the improvement in net earnings during the first months has not been maintained.

ACTION DEFERRED ON TWIN DIVIDEND

Prospects For An Increase When New Fare Agreements Are Worked Out

Any idea that the improved outlook for the Twin City Rapid Transit Company in regard to fares and profits would lead to immediate dividend benefits for the shareholders was dispelled by the action of the directors when the regular six months dividend of $2 per share and the regular quarterly payment of $1,75 on the preferred were declared. The course taken by the directors was no surprise and no disappointment to any but the speculative element. They would not have been justified in "counting their chickens" at this stage to the extent of increasing the dividend with better earnings only in prospect. An arrangement for better fares has tentatively been arrived at, but has yet to be officially confirmed and until it is there is always a danger of complications. The following summary of the company's financial affairs is of interest at this time:

For the ten years ended with 1924 the company earned an average of $4.98 on the common stock. In 1923, $6.18 was earned on the common compared with $4.81 in 1924. In 1918, $2.19 was earned on the common, which was the lowest during the past eleven years. In the past three or four years gross revenues have not increased, while the tendency of operating costs and taxes has been upward. On July 3, 1925, the Minnesota Railway and Warehouse Commission fixed the value as of January 1, 1925, of the Minnesota Street Railway at $26,787,228 and of the St. Paul City Railway at $16,044,416. Compromise fare plan of the company, settling previous litigation, was agreed to by the Twin Cities in October and November, 1925, calling for an eight cent fare with ten tokens for sixty-five cents, estimated by the president of the company to permit a return equal to 7½ per cent. on the valuation of the properties at the outset of the year. Actual earnings in nine months ended September 30, 1925, showed net income equal to $2.53 per common share, compared to $2.65 earned on the common in the corresponding period of 1924. As of December 31, 1924, current assets totalled $1,269,000, while current liabilities were $1,744,500, leaving a deficiency in working capital of $474,604 compared with $662,378, at the end of 1923. The main item on the liability side was $1,256,308 in taxes. There were no bank loans. The company's subsidiary successfully refunded $5,000,000, seven per cent. bonds with a $5,000,000 issue of 5½ per cent. first mortgage notes due in 1928. Another subsidiary has an issue of $10,000,000 bonds, also due in 1928. These bonds are guaranteed by the company, which has no funded debt of its own. Dividends on the preferred stock have been regularly paid since 1925. Only $210,000 per annum is required to pay the dividends on the preferred, which is regarded as an investment issue. Dividends on the common have been paid in varying amounts since 1899. In June, 1924, the rate was reduced from six per cent. per annum to four per cent. per annum, the present rate.

British Empire Steel Has Good November

MONTREAL.—The Bulletin of the British Empire Steel Corporation reporting on the November operations, says:

"Although no records were broken, the result of operations at all the mines and at the steel works at Sydney was satisfactory.

"The output of coal from all mines in operation exceeded 455,000 tons. This is more than 18,000 tons a day for every working day in the month and if this pace could be maintained throughout the year it would result in an output of 5,500,000 tons, which although it is less than the total which the properties are capable of producing, would be much better than the average of recent years.

"At the steel works more than 33,000 tons of ingots were made and rolled down into finished of workable forms. This is less than the plant can turn out by 2,000 tons, but it would be a satisfactory average to maintain, month by month until conditions warrant more extended operations."

Utility Employees Go Over Top in Selling Shares to Customers

Stock Selling Campaign of Canadian Western Gas Company Results in $100,000 More Than Objective Being Reached—West Has Capital for Sound Projects

The ability and willingness of Western Canada to finance public utilities which are on a sound financial basis, has been indicated by the success of the customer ownership campaign of the Canadian Western Natural Gas, Light, Heat and Power Co., Ltd. In a campaign which started Friday, Nov. 20, with an objective of selling 1,500 6 per cent. cumulative preferred shares, representing a face value of $150,000, a big success was scored and when the campaign closed at noon on Saturday, Nov. 28, there had been subscribed a total of 2,539 shares, representing a face value of $253,900, or more than $100,000 above the objective.

The shares were sold to customers of the company in denominations of $100 at 94 which nets the purchasers 6.38 per cent. on the investment. The purchase could be either for cash or arranged on the instalment plan with $10 cash and the balance in monthly payments of $10 each. All shares were sold by employees of the company and for this purpose they were divided into teams under captains, commission of $2 being paid on every share sold.

The company is paying off its bond indebtedness. The original bond issue was $4,450,000 and to date $2,670,000 has been paid off. As no further bonds can be issued ranking ahead of the preferred stock it will be appreciated that these shares have excellent investment features. The gross earnings of the company for the twelve months ending September, 1925, were $1,227,694 compared with $951,734 for the corresponding period of last year.

An agreement has recently been entered into with the Imperial Oil Co., whereby the Canadian Western Co., purchases all the gas from Turner Valley so that, with its field at Foremost with six wells, having an open flow of gas amounting to 64,000,000 cubic feet of gas per day, the supply should be assured. In order to reduce to a minimum the possibility of a breakdown in supply, a duplicate transmission line has been laid from Turner Valley to Calgary at an approximate cost of $400,000 and the Royalite Co., has erected a scrubbing plant at a cost of approximately $250,000 which will be capable of cleaning 20,000,000 cubic feet of gas per day.

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CANADIAN PACIFIC

DUNCAN INQUIRY BRINGS BETTER UNDERSTANDING

But Nothing Sensational as to the N.S. Coal Industry

From Our Own Correspondent.

SYDNEY.—Public interest in Nova Scotia is now centred upon the forthcoming finding of the Duncan coal enquiry, which the chairman has hinted will probably be handed down before the first of the year. There is also some curiosity as to the cross-examination of President R. M. Wolvin, which will take place in Halifax.

Otherwise the public hearings have been concluded for the present without developing anything either new or sensational. It is considered possible that some important information may be turned up by the commission experts now examining the Besco books, but, if so, little or nothing is expected to reach the public, because the survey is being made on a confidential basis.

The three weeks' steady hearing of testimony has been singularly featureless from a news standpoint, being mainly a repetition of evidence put in at former hearings. The only outstanding new matter was President Wolvin's recital of what he called the "inside story" of the origin and rise of the British Empire Steel Corporation. This was considered necessary to place a complete picture of local conditions before a chairman who came as a stranger to the district and its problems. Lurid charges put forward by the miners during the strike were but briefly touched upon in U. M. W. evidence.

The enquiry was notable, however, in that it gave the people a chance for the first time to see the leaders of the company and the men in action at close range. Both President Wolvin and John W. MacLeod, who conducted the examination of witnesses for the company and the U. M. W. respectively, raised themselves considerably in public estimation by their conduct of the enquiry. Mr. MacLeod showed up particularly well for a man with no legal training, and his impromptu questioning of witnesses is conceded to have brought out the strong points of the miners' case in the best possible light.

The commissioners, too, made an excellent impression, a feature being the chairman's penetrating comments and questions, directed impartially at both sides, to clear up doubtful points or seeming contradictions.

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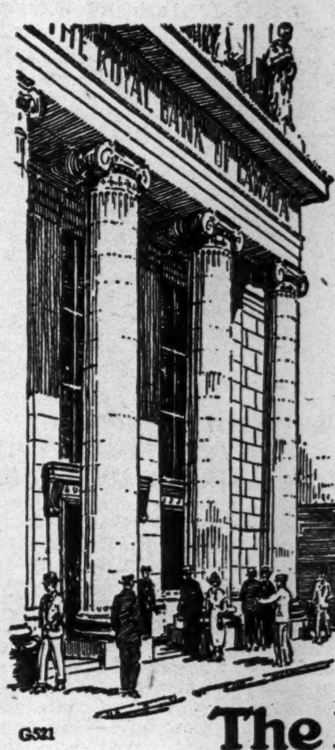

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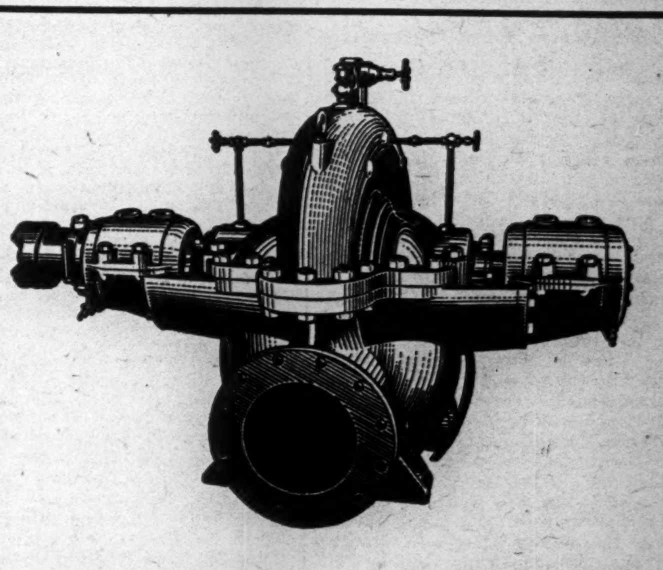

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HUGE SUPERPOWER LINES CANADA TO NEW YORK CITY

Electrical Engineers Plan Large Transmission System From St. Lawrence

Studies for the longest and largest high voltage transmission line system in the world, to carry hydro-electricity from the St. Lawrence River, Canada, and the Adirondacks to the doorway of New York City, northern New Jersey and New England, were presented by the Transmission Lines Committee of the Empire State Gas & Electric Association at New York recently.

The proposed system, composed of three unit systems of 220,000 volts each over rights of way 50 to 75 miles apart, is planned to deliver 1,000,000 kilowatts of electricity to the metropolitan district and New Jersey, and 500,000 to New England. On that basis the annual output of energy at the points of delivery would be about 6,800,000,000 kilowatt-hours, or more than four-fifths the total consumption of electrical energy in New York State now. This enormous quantity, the committee estimates, will be needed in these localities at some period between 1933 and 1935. The system as proposed would cost $100,000,000.

The water powers considered by the committee in its study were those of the St. Lawrence River, concerning which there must be an international treaty before they can be developed; Niagara Falls; those of the Adirondacks and some large ones in Canada. Including undeveloped powers, it is estimated there is now a surplus of nearly 2,000,000 kilowatts over local requirements at these sources. Niagara Falls is not included in this estimate, because the power development there is up to the full amount of water diversion permitted by the federal government and power is sometimes sent into the Niagara district from other parts of the state.

M. S. Sloan, Brooklyn Edison president, is doubtful of the feasibility of power lines of such a length. He thinks the power could be used more advantageously nearer the sources of production, and believes that the St. Lawrence developments will parallel the Niagara development—that is, that large industries using great blocks of power will locate at or near the power-sources, and what surplus energy there may be will be unlikely to travel further than 100 or 200 miles to market.

Costly High Schools Must Be Paid For

CHICAGO.—Much of the increase in taxation in many cities and counties is due to rivalry in erection of needlessly sumptuous school buildings, says the Industrial News Bureau. Fond parents have been bamboozled into the belief that palatial high schools will improve the character, raise the intelligence, and increase the happiness of those attending them. So they bond district for the sake of the children, who will have to pay the interest and principal of the debt.

MINK FARMING NOW

CHARLOTTETOWN.—Mink raising as a side line to farming is proving a successful venture to Roy Duggan, of Seaview, near here, who last week shipped a consignment to Virginia, and plans to send several pairs shortly to Quebec and Minnesota. This season he had 39 offspring from nine litters.

ONTARIO'S HONEY CROP

TORONTO.—Ontario's crop of honey this year is of exceptionally high quality, and already 1,200,000 pounds of new honey have been moved through the cooperative association. The product of Ontario's apiaries is now finding its way into the Scandinavian countries, France, Belgium, Holland, Germany and Switzerland.

Some Falling Off in U.S. Building Activities

NEW YORK.—Reports of awards for building construction have begun to show a moderate decline. For October they had dropped a little over 4 per cent. from the September total, according to the F. W. Dodge Corporation. Twice this year building construction has reached the highest peaks of record—in May and in September.

This declining trend in building construction has taken place in the later part of every year since 1920, and the falling off may be merely seasonal or it may be due to construction having been overdone. If it does continue to fall off, either seasonally or because oversupply forces it downward, something else will be required to keep business activity up to its high levels.

WORLD FINANCIAL CONTROL SOUGHT BY GROUP OF BANKERS

(Continued from page 1)

further than the preliminary outline given above.

Few men have a better grasp of the European and world situation than Jules Bache, the New York banker, well known in Canada because of his control of the Dome mines. Mr. Bache tells something about the plans of the international financial entente in the latest issue of his house paper, the Bache Review. He says:

"There is a further program which economists in Europe are said to look forward to with hopefulness. About the items in this program there is something of a millenial atmosphere. Nevertheless, financial leadership divorced from politics is able to accomplish wonders. The things projected for accomplishment are said to be a gradual hardening of credit cost with equalization and stabilization of world prices. (The long-term tendency of prices is estimated to be slowly downward.) Then there is to be brought about pronounced increase in the world's consuming capacity, by (it is said vaguely), the introduction of American credit methods. A further reform is to consist of rigid governmental ecnoomy and an attempt to have all governments bring to a minimum their business ventures. This feature of the program would certainly be hailed with acclaim in America. Following this is to be taken up the development of backward territories through co-operative international credits and engineering ability, and lastly, the international reservoir of gold, to which we have referred above, is expected to enable the international use of monetary gold. With these things accomplished, it is hoped that a decade of world prosperity will follow—and it surely should."

German ambitions for a world banking system go back to pre-war days. This propaganda — originated in Germany—with the object of creating a world super-banking system, seems to have brought extraordinarily big results and brought them quickly.

The United States and Canada seemed to be the best fields for operation. The United States was an easy field because of its disjointed banking system, and its campaign resulted in the establishment of a super-central bank controlling the finances of the United States— the Federal Reserve System. In Canada, with our much better system of branch banks which generally gave an extremely good national service, the propaganda made little headway. Our system, however, tended to be mechanical, to get into ruts and refusing to recognize the trend of public opinion and public demands. This has given an opening for the agitators to demand a federal reserve system for Canada; and finally, during the last election that policy became one of the planks in the Farmers-Progressive party's platform.

Canada, with its vast resources of raw material, has a vital interest in these financial and trade developments in Europe, for Canadian supplies are a very important factor in the world plan. How important will be understood when it is realized that certain grain-marketing organizations and co-operative movements in Canada are directed from and organized in the interests of an English-French-German syndicate.

Canada a Choice Hunting Ground for Foreigners

From the Ottawa Journal.

Canadian Printer and Publisher is drawing attention in an impressive way to the vast influx of United States periodicals into this country, and the corresponding amount of loss to Canada in hard cash. The figures are rather astounding when presented in concrete form. According to the calculations of Printer and Publisher, some eight hundred United States publications enter the Dominion free of duty; and the flood which such a figure represents can be judged from the fact that the seven United States monthlies or weeklies which have the largest circulation in Canada total twelve million copies yearly, while half a dozen daily papers with Sunday editions aggregate as much more. Altogether, these few weekly and daily publications alone take a couple of million dollars a year out of Canada in subscriptions, and no doubt ten or twenty times that amount goes to the United States in response to the advertising in them. Guess what the total damage done by eight hundred publications can amount to.

For it is damage, bad damage. Not so much through the money outgo—but through the fact that our Canadian industry and business are hard hit. United States ideas, national, political, social, commercial, are poured upon us in a flood every day in the year, while at the same time our Canadian periodicals remain lame and ineffectual in the face of the crushing competition of wealthy and long-established American publications.

A strict and commonsense interpretation of our customs law would apparently militate against this evil. Printer and Publisher points out that the customs act imposes a moderate scale of duties upon books and publications; but exempts "unbound" sheets. Our customs practice — not the fault of officials of course, but undoubtedly directed by our governments in the past—is to call the monthly and weekly periodicals that enter the country "unbound." Thus they escape duty. The total revenue the Dominion treasury got last year from such duty was $209. The word "unbound," as interpreted in our customs practice means a loss of millions of dollars to the national revenue, payable by United States publications; or if such revenue did not come—if enforcement of a moderate Protective duty were to check the inundation of American periodicals—Canadian industry would benefit because our own periodicals would flourish.

Summed up by Printer and Publisher, the following seems pertinent:

"Reason it out, as you will, in every detail and from every side of the question, the fact remains that otherwise perfectly competent officials have been compelled, not only to deprive the people of Canada of millions of dollars, but to discriminate unfairly against Canadian printers and publishers, who pay duty on paper, ink, engravings, photographs, equipment, everything essential to their industry, in addition to municipal, provincial, federal and sales taxes, by allowing 'foreign' publications of all descriptions, which contribute not a cent to the Dominion treasury, to enter the country free.

"Surely it is time to ask plainly whose business it is at Ottawa to handicap the Canadian printing and publishing industry by facilitating the free admission of any and all foreign publications, in direct contravention to the provisions of the customs tariff?"

Reckless Talk About Value of Imperial Oil

(Continued from page 1)

The market records of the two companies follow:

Imperial Oil

	High	Low
1920	143	90
1921	115	76
1922	130¾	97½
1923	125½	92
1924	121	99⅝
x1925	37⅜	27½

xNew.

International Petroleum

	High	Low
1915	14⅜	5
1916	13½	9¾
1917	15⅛	10¼
1918	19⅞	12½
1919	77	16¾
1920	18⅛	14
1921	17¾	9⅛
1922	27¾	14
1923	24⅞	13¼
1924	24⅝	16¾
1925	35½	22

Profits Ploughed In

Like all Standard Oil Companies, Imperial has ploughed its earnings back into properties and equipment, the shareholders receiving stock as well as cash dividends. Imperial Oil has grown from a capitalization of $500,000 in 1881 to an organization with millions upon millions of assets in 1925, and an outstanding share capital of 6,491,852 non-par shares with a present market value of $227,214,820. Increase in share capital has been largely bonuses to shareholders. The company has no preferred shares or bonds. Imperial is just beginning to get revenue in a big way from its huge investments in oil properties the past several years. Its 5,000,000 shares of International Petroleum are reputed to have paid it in dividends in 1924, $3,750,000, or within $1,000,000 of Imperial's total dividend requirements, leaving surplus earnings in Canada practically intact for expansion. In this connection it is reported that Imperial Oil spent $3,000,000 on their refinery in Sarnia alone this year. The company does not furnish a financial statement but a steady increase in income available for dividends can be inferred from the steady increase in the volume of its dividend distributors. In 1918, the last year in which a financial statement appeared, the company earned $7,170,686 available for dividends and distributed $4,800,000. The current dividend rate of 25 cents quarterly or $1 a year on the new no par value shares, calls for an annual distribution of approximately $6,500,000, and it is equivalent to $4 a year on the $25 par value stock on which $3 was paid in 1924.

Imperial Oil is undervalued, cailms Wall Street Journal, contending that the stock at the then price of 35 did not reflect the rise in the shares of its subsidiary International Petroleum to 34.

The Journal contends that the market valuation on Imperial was $227,000,000, while International Pete had a valuation of $242,000,000. The article continues:

After allowing for its holdings of International Petroleum, the value of Imperial's own properties would be below $100,000,000. As the value of the assets on December 31, 1918, the last published figure, was $75,000,000, it is reasonable to suppose that a valuation of less than $100,000,000 at the present time, that is, seven years later, is too low.

In view of the foregoing, and taking into consideration the great and growing importance of International Petroleum in its own field, it would seem that Imperial has not yet reflected adequately the rise in value of its subsidiary in its own market price.

Japan Sets Example for Canada in Selling Manufactured Goods

If Canada's trade is compared with that of Japan, it will be found that the total of our imports and exports in dollars would be just a little bit more than the total import and export trade of Japan, according to E. A. Bryan, inspector of Canada's trade commissioners' offices, who recently addressed the Canadian Export Club of Toronto. In the case of Japan, however, there is a difference in the character of the goods imported and exported. Japan imports chiefly raw materials which, to a great extent, are made up and exported. The biggest item in Japan's import list is raw cotton which amounts up to over 600,000,000 yen a year. A great part of this is afterwards exported in the form of manufactured articles. Canada has a much larger export business than Japan, but a great portion of our export is made up of raw material and semi-manufactured goods and naturally.

"What we want to do is to further develop the export of manufactured goods," said Mr. Bryan. "Looking at the position of our trade with Japan since I was last here, we find that our exports last year increased 10½ per cent. as compared with the year before. It is interesting to note and one of the happy recollections I had when leaving Japan was that while I was there the export trade of Canada with Japan increased from $1,700,000 to over $26,000,000 last year. In fact, Japan last year bought goods in sufficient quantity from Canada to put her in the third place, after the United States and England."

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There will be as a third fine new feature an extensive summary of financial, trade and business statistics of Newfoundland. Too little is known in Canada about our nearest British neighbor. The facts business men want in dealing with the Island Dominion will here be found in complete form, easy of reference.

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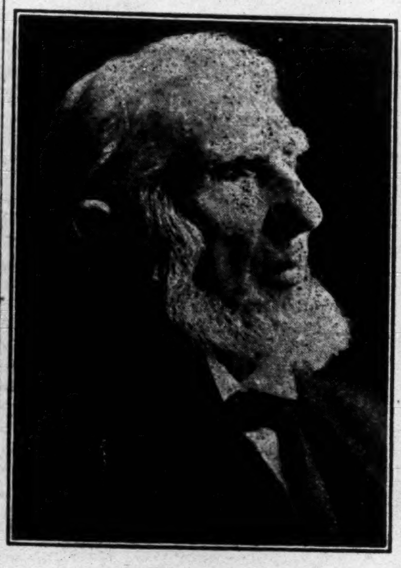
J.R. Booth, Pioneer and Emperor of the Forests

Passing of Great Lumber Leader Coincides With End of Great Era of Eastern Forest Exploitation — Kindly, Considerate, Unconventional, Rugged and Honest — Such Was Founder of Great Family Fortune

By FLOYD S. CHALMERS



JOHN R. BOOTH

LAST winter, John R. Booth stood among the wind-blown, ice-covered piles of lumber at the Booth plant in Ottawa and discussed the changing conditions in the lumbering industry. Standing as erect as a soldier, indifferent to cold and blast, he said to me:

"The lumber industry is a vastly different proposition to-day from the affair it was when I started out. Then wood was the great building material. Nowadays there are a dozen other materials that have displaced wood. It has helped to make a great difference in the lumber industry. Lumbering is no longer the greatest industry in Canada. There is not now the same profit in felling and sawing trees that there was a generation ago. We can make more money turning trees into paper than in turning them into lumber.

"The Panama Canal has changed the course of trade in logs. The people out in British Columbia can cut down trees and lay them down in our natural New England market cheaper than we can ship them the few miles from here."

Then an automobile came along and an anxious relative bundled the prince of the axemen off to lunch.

Now that Canada's most picturesque business figure is gone I can not but feel that his summary of the genesis and metamorphasis of the lumber industry tells the story of his life.

Booth came into Canadian lumbering at the start, when the founders of great fortunes in Canada began to take up timberlands for development. His going out marks the ending of an era. His life's span covered the development of the lumbering industry from a crude but rushing business of exporting square timbers to a keenly organized manufacturing industry; from a time of cheap forest land to be hurriedly exploited to a time of expensive forest land to be farmed and conserved.

J. R. Booth was a busy, wealthy lumber king for a period that goes back further than the memory of most men. He became a "king" just fifty years ago when depression hit the logging industry in Canada. Partnerships failed; sawmills were closed down; timber land came on the auction blocks and a man with a pocket full of cash could buy an empire.

Booth Seized the Opportunity

Booth was one of the men with the cash. The adversity and pessimism of the lumbermen gave him an opportunity to acquire vast holdings of timber land. He was already owner of large timber estates, By the time the depression was over, Booth was the largest owner of timber lands in Canada. He had acquired the bulk of the wood reserves that eventually made possible the largest saw mill in the world; wood reserves that would have laid a giant's carpet of green timbers nearly two miles wide and stretching from Vancouver to Halifax.

Booth was undoubtedly Canada's most-written-about business man. For nearly two score years now he occupied space in the press; and for fully half that time his ever-recurring birthdays—of which there were just short of one hundred all told—were annual front page stories. He was pictured as a pioneer; as an empire builder; as a lumber king; as a multi-millionaire; as a character; as an erratic and irascible slave-driver (himself being the slave) who never found as much time for society as for work.

One must admire the extent of J. R. Booth's achievements; one need not, on the other hand, set up his unusual life, with its disregard of conventions, formalities, society and the arts, as a model for young men. We can get down beneath all this and find J. R. Booth, the man of vision, who saw opportunities; the man of faith, who always believed in Canada and in himself; and the man of courage, who did things he thought should be done and did them in the face of jeering and warning friends. And with that as our outline of reference, let us go back ten years before the rebellion in Canada, to 1828, to a pioneer farm in Shefford County, Quebec. It was then and there that Booth was born and given the name of John Rudolphus Booth.

He Educated Himself

He worked on the farm as a youngster. Schools were few and meagre in educational utility. But young Booth managed to read and study at nights, getting the only schooling he ever had. In additon to studying from such books as he could get hold of, he studied how to use the hammer and saw, and he built small wheels to harness the brooks on his father's farm.

At 21, he drifted away when he felt the urge to capitalize this natural knack for carpentry. He left the farm with $9 in his pocket and a young wife on his arm. He spent the $9 on a kit of tools and got a job as carpenter with a bridge-building gang. He helped to construct many of the old-fashioned bridges on the Central Vermont Railway. Years later, when he rode over the C. V. R. with a party of railroad magnates, he pointed to a bridge on the line and said, quietly. "That's a good bridge; I helped to build it."

His work as a carpenter brought him, in 1852, to Bytown. He came up to help construct a saw mill. Bytown, later called Ottawa, was the heart of the logging trade of the Ottawa Valley. Others had come before and taken up tracts of forest land. They were busy sawing timbers for ship-building. These were floated, in rafts, down the Ottawa River, and put aboard vessels at Montreal and Quebec. Booth was impressed by the possibilities of the timber trade; was impressed also by the magic of Chaudiere Falls power. He decided to stay.

For a while he worked as carpenter; then as sawyer; then as manager of a little saw mill. But he determined to go to work for himself. He tried running a machine shop, but fire destroyed it. He rented a mill, putting in two shingle machines. The mill had been a failure under other management. But Booth made it profitable, so much so, that his landlord told him the rent would henceforth be doubled. Booth declined to be gouged; he moved across the river from Hull (where the rented mill was located) to Ottawa. He rented an idle mill, located just where his present mill is now. He got off to a good start with this mill. Queen Victoria had chosen Ottawa as Canada's capital; the Parliament Buildings were being built. Tenders were asked for the timber required. Every mill in the valley put in a bid, but Booth got the order and was able to buy his mill outright.

Robert Dollar an Employee

One of his employees at this time was Robert Dollar, who became the great shipping magnate of the Pacific. Operations were on a small scale at first, but gradually he added large timber reserves to the small holdings needed for his little mill.

He first bought crown limits, and as he made more money, he added to his holdings. He began to borrow money to buy more timber.

An Ottawa banker who had noticed the industrious manner in which Booth handled his shingle mill came to him one day, and, as the two men stood on the saw dust dump, said to him: "The Egan timber limit is for sale on the Madawaska River. You need it to enlarge your shingle mill. Let's buy it. We'll put up the money. You estimate the timber in it and if we get it you can look after utilizing it."

"Um," mused Booth. "All right; put that in writing and send it to me."

Before the letter came, Booth had sent men to cruise the limit. When the day of the auction sale came, the timber limit went at a high price. Booth kept on steadily bidding. His friend, the bank manager, protested each sucessive bid and called Booth a crazy man. Booth paid $45,000, an unusually high price for the limit. After the auction his friend tried to back out. "You can't back out now; you've put your agreement in writing," said Booth.

He made a million out of that limit in a few years.

Introduced New Methods

Booth attacked with much energy the exploitation of his limits. He was the first to use horses to haul logs. Once when labor was short he went to Montreal and got together a gang of longshoremen whom he turned into woodsmen.

Mr. Booth was already wealthy when he built the Canada Atlantic Railway in the early '80's. This road had been started by a politico-railway group in Vermont and was needed as a feeder for the Central Vermont Railway. But the promoters ran short of money and in their extremity they turned to Booth. He gave them help and eventually had to take over the line. He put up $2,000,000 at once and poured in more capital later. He put all the stock in his own safe and finished the road on the money he raised. It ran first from Coteau Junction, near Montreal, to Ottawa, and was later extended to Depot Harbor, near Parry Sound, on Georgian Bay.

When he had the line finished, Booth took Wilfrid Laurier for a trip of inspection. When the car containing the two men reached the end of the line, Laurier found himself in a barren wilderness, half-a-mile from water, and with no docks or buildings. "Where will your traffic come from?" asked Laurier. Booth explained his plans. He would build wharves, and elevators; create a great new terminal harbor. He would build a fleet of grain ships to run to Fort William. He would create the traffic for the line. He actually did create the traffic. He built one grain boat and bought several others and he put up elevators.

His vision was justified. There was never much passenger traffic, but freight and grain carriage was heavy, including annually 200,000 tons of flour and 20,000,000 bushels of grain.

Was the Line Profitable?

By the early part of the present century the Grand Trunk Railway needed the line as part of its system and they had to pay Booth $14,000,000 for the scraps of paper in his vault. Various writers have made estimates of Booth's profits on this line. The general impression is that he made between $10,000,000 and $14,000,000. The Booth family state, however, that the Canada Atlantic Railway returned less than was invested in it by J. R. Booth.

Railway building did not slow up the lumbering activities of the Booths. The plural is used here advisedly. After 1884, there were three Booths; the founder of the business and his two sons, Charles Jackson Booth and John Fred Booth. The two sons were brought up carefully and well filled with their father's vigor for work. They were given the advantages of two years each at Queen's University, and then came home to work with the father. The development of the Booth industries from the '80's on is not alone the personal story of J. R. Booth, but the story of Booth and his sons, a fact which was often overlooked by those who undertook to make the story of the Booth industries but the story of one man.

The saw mill was gradually enlarged, and by 1892 it had a daily capacity of 1,100,000 board feet of lumber, making it at that time the largest lumber mill in the world. It had an actual yearly output of from 85,000,000 to 120,000,000 board feet, although the output of the present mill is only about 40,000,000 feet.

He Had Many Fires

In May, 1893, the plant was burned down. It was one of the numerous fires in Booth's life that have all come close to wiping him out.

He built a big saw mill at Burlington, Vermont, to handle trade in the New England States. It was burned down one Christmas eve.

J. R. Booth, and his son Jackson Booth, were going to Saranac Lake to spend Christmas Day. Passing through Plattsburg, Jackson Booth saw flames lighting up the sky across frozen Lake Champlain. He asked several people where the fire was.

"Burlington," they said.

"Do you know," asked Booth, "whose factory is on fire?"

A name was mentioned. It was the name of a planing mill next to the Booth mill. Booth sized up the wind and feared the worst. But he did not tell his father about the fire.

The two Booths went to Saranac Lake. On Christmas morning, the elder Booth was out walking. He overheard some people taking about the fire at Burlington. He stopped them; asked them whose plant was burned down. They replied that two plants had gone, but they had forgotten the names. "Was one of them Booth?" asked Mr. Booth.

"Yes, that was the name."

There is a coincidence for those who collect them. Jackson Booth happened to be in Plattsburg in time to see the flames from the Booth mill. J. R. Booth heard about the fire from a chance conversation in the streets of Saranac Lake.

The Christmas was spoiled but the Booths rebuilt the mill. Fires were too numerous in their life to be considered fatal.

Refused Bonus From Town

Burlington citizens sympathized with the Booths. They were more than sympathetic; they were afraid the loss of the saw mill might cost the city an industry. The city councillors came to the elder Booth and offered to give him exemption from taxes for a term of years if he would re-build his mill.

"Thank you, gentlemen," was Booth's answer. "I'll pay my share of the taxes." He rebuilt the mill without a bonus from the city.

There was a disastrous fire at the Booth plants in Ottawa and another in 1903. The first destroyed J. R. Booth's home as well as his mill. The second lapped up millions of feet of sawn lumber in addition to plant and machinery. After each fire new mills were built. They were considered part of the risks of such a business as planing lumber and making shingles.

After the Canada Atlantic Railway experience the Booths dropped out of railway building only to devote themselves more vigorously to the exploitation of their kingdom of trees. They built, in 1902, a pulp mill, and, later, invested their railway proceeds in a paper mill, making, as it does to-day, newsprint paper as well as some box boards.

The business is even wider than this would indicate. The saw mill located at Ottawa, on an island in the river between Ottawa City and Hull, is an immense enterprise; was at one time the largest lumber mill in the world. Backing the lumber business and the pulp and paper business is the reserve of timber limits, of from 4,000 to 6,000 square miles. Rounding out the organization are shops to manufacture wagons, sleighs, and harness, blacksmith shops and machine shops. There is also the large business at Burlington, Vt., and timber tracts in B. C.

J. R. Booth was honest. On one occasion he was selling a block of land to the government. Terms had been tentatively discussed when a member of a government commission wrote a note to Booth tipping him off to hold out for another million, as the government would pay it. Booth took the letter to Sir Wilfrid Laurier, the premier, and told him not to worry.

There was a sequel, showing how Laurier found the letter useful. When Booth brought it in, Laurier stuck it in a pigeon hole and forgot it for the moment. Some months later, the commissioner resigned his job and told Laurier he was going to stump for the opposition candidate in an important by-election. Laurier reached for the letter and showed it to the commissioner who had written it. "If you stump as you say, I'll stump, too," said Laurier. "I'll read this letter at every meeting." The commissioner stayed out of politics.

Keen in Business Battles

Booth was honest. He was considerate. But if someone started a clash of wits in a business transaction they had to look out lest they be bested. Booth, they say, once had an argument with a city council up in Ottawa. They promised him a $50,000 subsidy if he would bring his line to the city limits by a certain date. Construction delays made it impossible to finish the line within the specified period. The council refused to pay the subsidy. Booth went ahead undaunted and completed the city section of the line. When it was done he invited the councillors to look it over. He had put up a temporary shack as a station, but on the whole the councillors liked the new railway line. They paid over the cash.

After some weeks, the temporary shack was still serving as station. The council demanded to know when the new station was going to be built. "There's your station," answered Booth. "I said I'd give you a station and there it is." They had made him wait for his money; he made them wait for the kind of station they wanted.

Many were the stories told of the unconventional ways of John R. Booth. He was unconventional in his dealings with the general public, with society as constituted, but not with his workers. At the time of the Grand Trunk Railway strike his mills had to close down for a week. When they re-opened again he paid his workers their wages for every minute they had lost.

Not a Modern Executive

He always worked with his men, as one of them. He cut a strange figure in modern business, for he knew nothing of the ways of the executive of to-day. The sons maintained office routine and banking methods. But John R. Booth was at home with his workmen. At 75 he went into the woods and cruised a timber limit, although he had to take along an assortment of seven pairs of spectacles to finish the job. He has run all the physical risks inherent in his business and has several times been near death. Once when he was knocked out by falling timber his men thought he was dead. When he came to, his comment was, "Boys, I thought I'd never see you again." Then he went to work again.

In 1911, when the political fight for reciprocal trade agreements with the United States was on, Mr. Booth called his workers together and spoke to them from the top of a pile of logs, telling them to vote against the agreement.

Sketches that have been written of John R. Booth have largely had a tenency to picture him as a rough diamond. But he was always polite and thoughful. Let me tell you of something that happened last winter. I ask you if it does not give you a picture of Booth you have not gotten before.

I went to see him. I found him in the mill yard at Ottawa, waiting for a car to take him for luncheon. It was a cold, blustery day, but when I introduced myself, off came the old gentlemen's glove. He had just a step more to go to reach one hundred, but he would not shake hands, even with a young, and perhaps, bothersome newspaper writer, with his glove on.

He shunned publicity—but got lots of it. In 1911 he wrote a letter to newspapers attacking reciprocity. In 1920 he faced off the puck in a hockey game. But seldom did he come before the public in any such way. Every recurrent boom of publicity for J. R. Booth had its aftermath. The Booth postal box was filled for weeks with letters from indigent souls, and institutions who thought Booth had millions to scatter about. Following the world-wide publicity given to the wedding of Booth's granddaughter, Miss Lois Booth, to Prince Eric of Denmark, letters of appeal for financial assistance came from Germany, Russia, England, the United States, and dozens of other countries.

His Hobby Was Flowers

Booth's hobby, apart from work, was flowers. The Dominion Experimental Farm at Ottawa recognized this by naming a new flower "the J. R. Booth Pom."

J. R. Booth on Health

J. R. Booth had a rugged frame and a keen, fighting mind. His personal habits of living gave him both. You may adapt his rules to yourself if you like. Possibly you would find them too rough and ready, with too much contempt of the niceties of our modern existence. He says:

"Our constitutions are what we make them at meal time. Most ailments can be cured by observing the laws of nature and common sense. Doctors are necessary only in extreme cases.

"No one ought to eat a meal when he's tired. Only persons who do manual labor should eat three meals a day. Two are enough for brain workers. We are all inclined to eat too much.

"Above all, live in the open air."

R. J. Fleming Was a Big Investor in Real Estate

The great bulk of the estate of the late R. J. Fleming, valued at something more than $1,000,000, was in real estate in Toronto and vicinity which was valued at more than $700,000. Mr. Fleming was an extensive holder of farm lands as well as city property. In securities, representing $327,000, he had 2,123 shares of Brazilian Traction, also shares in Asquith Gold Mines, Standard Radio Corporation and Dominion Sewer Pipe Co. Mr. Fleming carried life insurance of $35,000.

Record Timber Cut is Forecast For Quebec

QUEBEC.—The record figure of fifteen hundred million feet is given as the advance estimate of the 1925-6 cut of timber by the officials of the departments of lands and forests of Quebec Indications are that the season will be one of the most active, at least as far as pulpwood is concerned, for many years past. The figures given are interpreted as meaning that there is an increase of one-third over the average cutting cut in the last ten years and some two hundred and fifty million feet more than was estimated to be the average for the 1920-30 period. Reports received in Quebec show that there are already 3,500 lumber camps operated throughout the province with the Lake St. John and Chicoutimi districts the centres of greatest activity.

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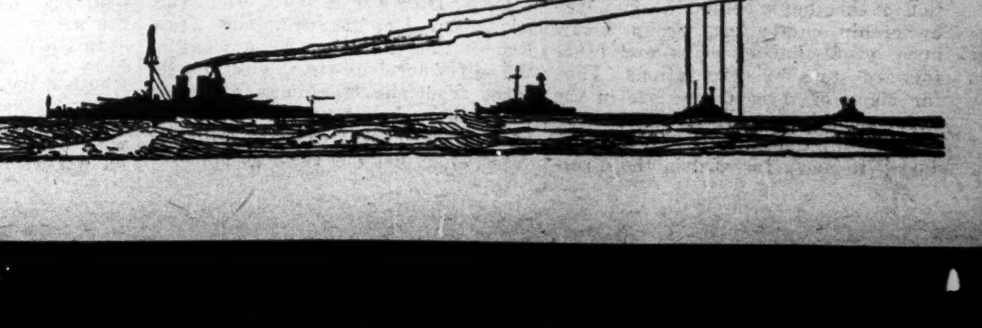

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TORONTO, DECEMBER 11, 1925

A GOOD SIGN

FROM the figures to date it is estimated that the municipal borrowing for 1925 will total only about half that of 1924.

There could perhaps be no better indication than this of the effect of public opinion on the spending of municipal bodies throughout the country. There has been aroused on the part of the people an appreciation of the fact that heavy taxes are the direct result of public expenditures and there has been a demand that lavish spending cease, at least until such time as growth indicates that further improvements can be taken care of without adding to the burdens of the present population.

The indications are that the increasing tax bills at last had a salutary effect in bringing the people to a realization of the fact that they themselves are primarily responsible for public debts. Unfortunately the same influence is not so noticeable in regard to expenditure by the provincial and federal governments. Municipal ratepayers see the relationship between spending and tax bills, but in the case of the governments individual constituencies are constantly demanding expenditures for local improvements while frowning on spending in general.

When the taxpayers of all Canada appreciate that the amounts in all their tax bills are decided by the expenditures of governments, and that they are fooling no one but themselves in thinking that they can have expenditures in their own constituencies without similar expenditures or even greater, in others—when they understand that they must pay just as they must pay for municipal spending—then there will be real progress in getting taxes reduced.

WORKERS AS CAPITALISTS

REFERRING to the growing investments by workers in the shares of the corporations by which they are employed, and other evidences of accumulated wealth on the part of the great mass of the population, Arthur Williams, vice-president, the New York Edison Company, in an address, "Every Worker a Capitalist," before the Rotary Club of Yonkers, said:

> This general movement recognizing the mutual advantage of the largest possible material as well as human development of the workers of the country, to employees and employers, is spreading throughout our industrial life—by some it has been called the "New Industrialism"—and our united support should be given to further it in every practicable way.
>
> Where else in the world is it possible to-day to find such wealth among workmen? It is hardly necessary to seek further for evidence in support of the statement that—speaking generally—every American worker is a capitalist

One of the important influences of the spread of capitalism amongst the working classes has been to create more general prosperity and allay industrial unrest. It is being increasingly recognized that the worker who owns nothing has nothing to lose, but everything, as he is led to think, to gain by radical change, and thus is a fertile field in which to sow seeds of discontent, radicalism and other extremely destructive theories and tendencies.

Fundamentally and practically—despite the teachings of agitators—the interests of corporations and their employees lie in the same direction. An effective way of bringing this home to the workers is to have them become shareholders or in other ways share in the prosperity of the company which they serve. It is recognition of this that is behind the employee ownership campaigns, group insurance, profit-sharing plans and other forward steps by corporations. Thus far many of these things are in the experimental stage, but they represent a willingness on the part of industry to move forward in the direction of an ideal—if unattainable—state of industrial democracy.

WHEN CANADA GOES TO WAR

GLIB references are made by speakers and editors to the fact that "when the Empire is at war, Canada is at war."

The actions of Premier King, in the Near East crisis, and the recent Hamilton statement of Hon. Arthur Meighen indicate that neither the prime minister nor the leader of the opposition subscribes entirely to this view.

The statement requires some reservations that may as well be frankly understood. If Canada were always at war when Britain was at war, then there would to-day be Canadian troops in positions of danger in a score of out-of-the-way corners of the Empire, fighting nations and tribes for Imperial defence. If Canada were always at war when the Empire is at war, Canada would be in danger of getting into fights it was not interested in, every time a Lloyd George tried to develop foreign complications to save his political face, or a Churchill made threats to serve his personal business friends.

King's action in saving the world from an Anglo-Turkish war, and Meighen's refusal to commit the whole Canadian nation to the care of British politicians of any stripe, are worthy of commendation.

Canada will go to war, as it did in 1914, when war is right and necessary, but Canada need not commit itself blindly and unreservedly to fight in every battle of the future.

HATS OFF TO THE WEST

HIGH compliments to the quality of butter from Western Canada were paid in a speech delivered in London, by A. J. Mills, chairman of a large importing firm, at the Canadian product dinner given by the High Commissioner for Canada. In his speech Mr. Mills said:

> "I am very pleased to see, in connection with butter, the marked development that is taking place in the northwest, and the butter we are now getting from Alberta, Saskatchewan and Manitoba is of a very fine quality, well graded, and a great credit to the producer. This opinion has been confirmed in a marked way at this week's London Dairy Show, where Canadian butters, in competition with New Zealand and Australia, obtained the first three prizes in salted, and first prize in unsalted. It only shows what can be done in your factories, and if you wanted encouragement you have it this week."

Again the Western Provinces have brought honor to Canada on account of her dairy products. That they have done so in competition with Ontario, Quebec and the Maritimes speaks volumes for the enterprise and thoroughness of the Western farmers. A few years ago the West was looked upon as a producer of wheat only. In a few years the Prairie Provinces have become not only important producers of butter and other dairy products, but they have established standards for quality higher than those of the Eastern Provinces which have been established producers for many years.

SERVICE VS. SENTIMENT

THE Federation of British Industries is asking the British government to finance an extensive advertising and publicity campaign on a national scale to induce amongst the purchasing public a habit of asking for British-made goods. The campaign, as outlined, includes newspaper advertising supported by poster and similar publicity and supplemented by public meetings, radio broadcasting, films, social activities, local shopping weeks and the like. The government fund would be administered by a committee representing the newspapers, labor and manufacturers as well as the government departments primarily concerned.

This is just another indication of how the spirit of British independence and self-reliability is being sapped by paternalistic proposals having their foundation in government funds derived by taxation. British labor through its political power, has been able to secure liberal appropriations from the public exchequer in the shape of doles and now British industry, with its world reputation for enterprise and resourcefulness, is evidently about to succumb to the same disease of paternalism. And this, because the big manufacturing plants have seemingly passed into the hands of sons, grandsons and great-grandsons of their sturdy, self-reliant founders.

The mistake of trying to increase the consumption of made-at-home products by creating prejudice against imported goods and ignoring the merchants of the country whose co-operation and confidence should be cultivated as sales representatives, now being made by British manufacturers, is one which was made in connection with the earlier Made-in-Canada campaigns in this country. However, the manufacturers of Quebec have been setting an example for Canadian industry in the successful cultivation of Canadian consumer opinion and the Produced-in-Canada idea is now making headway on sound grounds.

CANADA's size is again effectively advertised by the complaint from British Columbia that, on account of the difference in time, election returns from the Maritimes, after the votes there had been counted, were used on the Pacific coast to influence votes which had not yet been polled.

THE REVOLUTION IN MERCHANDISING — No. 5

Price Cutting and Price Control Are Big Issues

Many Canadian Manufacturers and Wholesalers Trying to Combat Price-cutting—Some Cases and Principles in Price Maintenance Policies in Selling

By B. T. HUSTON

PRICE control, price maintenance, contract selling plan, the fixing of resale prices, or whatever one likes to call it, is a comparatively new term in the business world in Canada. It was little heard of prior to 1910.

Price control may be defined as follows:—"The right of the manufacturer to fix the price at which his product may be sold by wholesale and retail distributors and the further right to penalize any dealer who fails to maintain such prices by refusing to sell him again and forbidding anyone else to sell him."

Among the more commonly known articles that sold on the resale price basis for many years were:

Gilette Safety Razors;
Magic Baking Powder;
Shredded Wheat;
Motor Cars;
Pianos;
Railway tickets.

Controlling Consumer's Price

In some lines such as the safety razors and Shredded Wheat, the prices were established right through to the consumer; in others from wholesaler to retailer. But the war was responsible for many changes. Lines that had been controlled prior to 1914 were changed to open basis when prices began to rise. In certain instances such as Gilette razors, the running out of patents ended the control era. To-day, in Canada, perhaps the two outstanding products on the fixed resale price basis are motor cars and Magic baking powder. To them may be added railway tickets and postage stamps.

Wholesalers on the Magic list are required to make declaration at stated intervals that they have not cut the established price. When they do they get an additional discount. If they could not make the declaration they would be taken from the list. Dealers in a particular make of motor car are limited and price control simpler; but they are under contract.

There are other lines such as Arrow collars, certain lines of underwear, cigarettes, Salada tea, Eddy's matches, that carry definite resale prices, and where the manufacturer uses every endeavor to see that these are maintained. But as the manufacturers haven't a definite contract or affidavit plan they should be placed in a different category from the others mentioned.

Legislation on Price Control

When the Secret Commissions Act was passed by the Dominion Parliament in 1909, it made possible the policy of price maintenance. This act was put through so that anyone who gave a secret commission and the one who accepted it, became liable upon conviction to two years' imprisonment or to a fine not exceeding $2,500 or to both.

It was only in this way that a manufacturer who adopted the Price Control policy could enforce it. At that time practically every manufacturer sold through the wholesaler to the retailer who passed the goods on to the consumer. Manufacturers who used the plan were able to follow up a complaint by insisting upon the affidavit of a traveling salesman of a wholesale house that he did not sell below the established price. If he could not make this affidavit he was liable to punishment under the Secret Commissions Act, and the one who accepted the commission was equally responsible.

While there has never been a real test on the legality of price control in Canada, it has at different times received more or less the stamp of approval of judges. The late Justice Falconbridge, when sitting on the famous Wholesale Grocers' Guild case in 1909, and in his judgment the following year, expressed a favorable opinion on it. The board of commerce, presided over by "that man O'Connor" and James Murdock (since the Hon. James Murdock) could not see anything wrong with the principle as long as the interests of the public were not adversely affected by it. In the suit brought by the ex-Attorney-General of Ontario, the Hon. Mr. Raney, and which was heard before four judges with the late Hon. Justice Meredith presiding, again the principle was endorsed as long as the general public did not suffer. And when Premier King put through the anti-combine legislation in the Federal house he distinctly told members of the trade interested that this legislation did not prevent the establishing of resale prices.

Litigation Across the Line

In the United States there have been two or three prominent litigations over the principle. The results have been such that the manufacturer is still hazy as to whether he can put into effect a control policy and maintain it successfully. In 1911 the Miles case presented the fundamental question as to whether a manufacturer may consistently with the Sherman Anti-Trust Act enter into a uniform agreement with his dealers to secure their maintenance of a price fixed by him for the resale of his products. The Supreme Court held that he may not do this under the act.

In 1918 was the famous Colgate case. The question here was as to whether the Sherman Act denied to a manufacturer the right simply to refuse to sell his own product to those who did not resell it at the price he named. And the Supreme Court held that it did not, provided the manufacturer acted alone and independently in the course of his own private business "free from unlawful monopoly."

The distinction was that in the one case the manufacturer combined by contract with the distributors that his price would not be cut. In the second the manufacturer simply refused to sell a distributor who had cut the price. Then there was the Beech-Nut case in 1922 which was decided against the company. Since the Beech-Nut decision the Federal Trade Commission has issued eight further orders on the subject of retail price maintenance. But based on the Miles, Colgate and Beech-Nut cases the law in the United States seems to be settled about as follows: "That as long as a manufacturer acts alone and independently in the course of his own private business he may freely name a resale price on his own products for the information and guidance of the public purchasing it, both dealer and consumer. But the manufacturer may not use any method of resale price maintenance as an instrument of the combination between competing traders. Nor may he sell his products subject to an agreement with his buyers that they maintain a price named by him."

Certain business interests in the United States have been endeavoring to get a price maintenance law that would give the same scope as the manufacturer has in Canada. So far they have not succeeded, but the fight is proceeding.

"Pros and Cons" of Price Control

Let us now take a look at the reasons for and against the Price Control policy.

A manufacturer makes a certain article, puts it up under his own brand and sells it to the wholesaler to be resold to the retailer. If there is no control one wholesaler disposes of the product at a lower price than another. Some retailers pay less than others depending from which wholesaler they purchase their goods. This in turn enables them to sell to the consumer at a lower price. Other wholesalers cut the price perhaps going the first one better. Retailers, too, start a price war so that none of the distributors are making any money. It is only natural that they will want to discontinue the sale of that product as far as possible and push something on which the profit is worth while. The manufacturer definitely loses when all this takes place. Therefore, he feels he should have the right to fix the resale price from wholesaler to retailer and from retailer to consumer if he wants to. He also claims a "propriety" over his own brand until the goods are consumed. He has to make good if anything goes wrong in the channel of distribution. If the consumer complains the retailer has to take back the goods and no self-respecting manufacturer declines to replace them. Because of this propriety, the manufacturer claims ownership of the product until the consumer gets it. Therefore he says he should be allowed to control the price.

Some call this combination in restraint of trade. But the manufacturer says not. If he fixes his resale price at too high a point, two things may happen. He either sells less or a competitor steps in and sells at a lower price. So that by economic law he is bound to fix that resale price at the proper point. That represents in brief the views of those in favor.

Wholesalers generally have up to the present, approved of the Price Control policy because they felt it ensured them a definite profit on the goods so controlled. In the drug field there is to-day a distinct tendency towards Price Control on a wholesale scale. Wholesalers as well as many manufacturers and retailers are behind the proposition. They favor a system similar to the Proprietary Article Trade Association in England, where the bulk of the drug trading is done under this system, and has been for years.

A similar movement is developing among the Canadian grocery trade. At the present time the president of the Retail Merchants' Association, Dominion Board, is traveling across Canada from Vancouver working up enthusiasm for the plan. And he is enlisting a great many followers. To make the plan effective it is felt that the retailer, wholesaler and manufacturer should all be in it. There should be one big association controlling the whole thing. The plan proposed is too lengthy to discuss in this article.

Retailers in favor of it maintain that with so much price cutting going on in every section of Canada something must be done to stabilize conditions and give an opportunity to the merchant to make a profit on each line he sells.

Those opposed to it say that when they buy the goods and pay for them they belong to them and they have the right to do what they wish with them.

Chain Store Creates Problems

New developments in merchandising such as the chain store and buying groups make it all the harder to put Price Control into general effect. This for obvious reasons. These big buyers feel they should have special discounts because they buy in quantity. As many of the chain stores do not give complete service to the consumer they claim they should not charge as much for their goods as the merchant who does give a complete service including delivery, credit, personal selling, telephone. There have been manufacturers who have tried to establish resale prices from wholesaler to retailer and found that chain stores were purchasing foreign goods through local agents—and they were losing a huge volume of business. In many instances they have changed their system, and are now selling through the wholesale trade on the open price basis.

Where, too, so many bulk goods come into play retailers can always find something to cut. Large retailers such as big department houses, chain stores, can go into the manufacture of their goods or get some manufacturer to produce for them. As these goods belong to them they can sell at their own prices. While this competition is more or less local yet it is in the centres of big population where manufacturers are able to get their business at a fairly low selling cost and where they perhaps feel such competition most.

Says Mr. Huston

"In this article I have simply tried to outline briefly the history of the Price Control plan, to indicate its development, its present trend, and to point out present-day merchandising conditions that bear on it."

Mr. Huston is managing editor of Dry Goods Review, Canadian Grocer and Men's Wear Review, sister publications of The Financial Post.

There will be at least five more articles in this informative series.

TO EXHIBIT IN ENGLAND

MONTREAL.—Many Canadian manufacturers will send exhibits to the British Industries Fair, which opens some time in the end of February, and which will be visited by between 40,000 and 50,000 buyers from all parts of the world, according to F. W. Field, senior British Trade Commissioner for Canada and Newfoundland. The great fair will be held simultaneously in London and Birmingham, and is now the largest annual trade fair in the world.

Canada's New Inspector of Trade Commissioner Service

On September 9, Arthur E. Bryan was appointed inspector of the Trade Commissioner Service, with headquarters at Ottawa. The functions of the office are to visit trade commissioners' offices in various parts of the world and inspect them with a view to obtaining the highest maximum of effeciency for promoting Canadian trade abroad.

Mr. Bryan was born at Ivy, Ontario, in 1892, educated at a private school in Tokyo, Japan, Ridley College, St. Catharines, Toronto and McMaster universities. He graduated in 1915, taking first-class honors in history and political science. His boyhood having been spent in Japan, he early acquired a splendid working knowledge of the Japanese language, with the result that to-day he speaks Japanese fluently.

Mr. Bryan entered the commercial intelligence service as a sub-trade commissioner on May 8, 1916, and, after a course of training, during which time he visited over five hundred Canadian manufacturers, and made a very complete report on his investigations, in March, 1918, he was sent to Japan to take charge of the Canadian trade commissioner's office at Yokohama. Some indication of the value of his work there is afforded by the fact that on his arrival there, Japan was the seventeenth best market for Canadian products. On leaving Japan, three month ago, Japan had become Canada's third or fourth largest buyer and, unquestionably, Mr. Bryan's work has been an important factor in building up this very remarkable increase in trade with Japan.

ARTHUR E. BRYAN.

Mr. Bryan made an official visit to Canada in 1920, when he was recalled by a special request of the Canadian Manufacturers' Association to address their annual convention in Vancouver. Then, again, after the earthquake, through which Mr. Bryan passed with very remarkable experiences, and in which he lost everything he possessed, he returned at the end of 1923 for the purpose of making an official tour through Canada.

Public Utility Bonds

We have prepared a circular outlining particulars, prices and yields upon certain Public Utility Bonds.

We shall be pleased to forward a copy of this to inquirers.

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Current Opinion

FARMERS AND TAX REDUCTION

Moose Jaw Times: The taxation problem affects all classes. The farmers of the West are called on to share in the payment for these reckless expenditures. They, like others, are always complaining of the burden of taxation, yet they assist and insist in keeping in office a party that is responsible for the heavy burden that has been laid on the taxpayers of the country. The problem of economy and retrenchment is one that will have to be tackled with the gloves off by the next government. Nothing can be expected from the King government, and the only alternative is for the electors to put in office a government that will be prepared to take drastic measures with the present cost of government.

THE SMALL SHAREHOLDER

Mail and Empire, Toronto.—Increasingly wide distribution of shares in United States corporations has been hailed as a stabilizing influence greatly to the advantage of the economic system. Such shares, not long ago, were held chiefly by the wealthy and well-to-do classes, but nowadays they are bought by small householders and great numbers of wage earners. But Prof. W. Z. Ripley, or Harvard, in a recent address before the Academy of Political Science in New York, stated that with this vast diffusion of stock ownership goes "an alarming divorce of the ownership of property" from its control and management.

Hitherto a small shareholder had something to say, as least theoretically, in the management of his property, although in practice it was vested in a few, but Prof. Ripley pointed to a significant change in flotations. New corporations are substituted for the old partnership and individual forms "in order that the purchase price and more may be recovered by sale of shares to the general public." The new stock thus sold very often, he said, "is bereft of any voting power except in cases of actual or impending bankruptcy." Among promotions of this kind he referred to one concern which sold 598,000 shares of non-voting class A stock, reserving 2,000 out of the total 600,000 shares as class B stock carrying exclusive voting rights. There was no concealment about it but he asked: "How can there be other than a whirlwind abuse of power under such conditions?"

A POPULAR DEMAND

Port Arthur News-Chronicle.—Since the election, the demand that taxation in Canada shall be reduced is frequently heard. Nor is the federal government alone included as the only source from which reductions shall come.

Newspapers of all political faiths are united in the demand that an effort shall be made to keep somewhat in step with the neighboring country in making easier the burden of the taxpayer. While there has been practically no attempt to begin liquidating the war debt, taxes have been on a mounting scale.

Accompanying the demand for decreased taxes is the equally imperative demand for reduction in public expenditures. This latter demand is given force by the pre-election appropriations made for works, the construction of which could well be deferred until conditions had improved.

If intimations of future expenditures made during the campaign are carried out the difficulty of reducing taxation will be enhanced.

Governments have difficulty in economizing. Demands are pouring in upon them from all quarters, and appeals for fulfillment of election pledges by candidates are urged upon the government. Of course, resistance is offered to many of these importunities, but governments consist of mere men only, and they forget that the funds in their control are not their own to do with as they will, but funds entrusted to them by the people of Canada to be dispensed for the benefit of the country as a whole, and not for the ease of mind of promiscuous political promisers.

Personal

A. F. RIDDELL, B.A., has just concluded fifty years active partnership in the old established firm of Riddell, Stead, Graham & Hutchison, chartered accountants. The event was marked by a dinner in Montreal attended by members of the firm which has branches in important cities right across Canada and Mr. Riddell was presented with a handsome silved salver. The firm was originally founded in 1869 by James Riddell, father of A. F. Riddell, and while it has been known under different names the business has continued unbroken until the present time. A. F. Riddell became a partner in 1875 and since that time he has been associated with many important business firms throughout the country in the capacity of auditor. He was born in Aberdeen, Scotland, and came to Canada with his family in 1864, residing in Kingston until 1869 when he moved to Montreal and entered the service of the Merchants Bank. After five years' service he was appointed chief accountant at Toronto of the Federal Bank on its organization in 1874, remaining until August, 1875, when he joined his father's firm on the latter's death.

Typical Group Investments

For Incoming December Funds

So many requests are received for suggestions for the investment of fixed or round amounts that we have devoted our December List to giving suggestions for the investment of a range of typical sums.

The examples given deal with the suggestions for the investment of $10,000, $7,500, $5,000 or multiples of these; for the investment of $2,500, $1,000, $500, $100, and also for the investment of odd amounts.

The fundamental principles of diversification have been applied especially in connection with the larger amounts. The incomes from these investments will naturally vary, depending upon the type of securities included in any group.

These typical diversified group investments will, we feel, fit the needs of the great majority of investors, and should prove helpful and suggestive to all investors.

A copy of our December List will be gladly sent on request.

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Investment Securities

Your Investments

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

Brompton Pulp

H. C., Montreal.—Will you kindly give me an opinion on the common stock of Brompton Pulp and Paper as a purchase at present price?

Brompton's strength lies in its valuable and large timber resources which, in the long run, should eventually benefit the shareholders.

The company has three mills, one in Canada and two in the United States. The two mills in the States have lately been going through a transition period and have changed their output somewhat with a view to obtaining more business. Coupled with the bettered market for chemical pulp is this change in output which should all eventually benefit the company.

C.P.R. Debentures

W. C., Ottawa.—Would like your opinion upon the possible fluctuation of value in Canadian Pacific Railway debentures.

The four per cent. perpetual debentures of the Canadian Pacific are traded on the London Stock Exchange and are bought and sold also in New York. During the last nine years, the highest point reached by these debentures was 86¾ in 1923; the lowest was 5½ in 1920. At the present time these debentures are changing hands in New York at around 80 or 81. They have been changing hands at around these figures for the past three years.

These securities are a first charge on the Canadian Pacific Railway, excluding, of course, a comparatively small number of underlying bonds. The price varies with the money market. When interest rates are high, prices tend to drop, whereas if current interest rates are low, the price of the debenture rises.

Wood-Kirkland

A. L. F., N. B.—We would appreciate any information that you could give us regarding the Wood-Kirkland Gold Mines, Limited. One of our customers is the holder of a certificate for 1,000 fully paid shares of the capital stock, which he purchased a few years ago, and we understand that he is anxious to sell if he can realize the amount paid.

I doubt very much if your client could market his Wood-Kirkland gold mine shares at the present time at a price anywhere near what he must have paid for them. The market in this stock has been very quiet for some considerable time. There is a new development going on or just being launched rather, on several properties in this vicinity and it begins to look as if this section of the Kirkland Lake camp was now about to come into its own. It would seem to me therefore a shame for your client to sell his holdings at the present moment. The things which he must have anticipated when he purchased the stock are now perhaps in the course of being realized. He must not get the idea that there are possibilities of any very quick profits, as gold mining development is very slow, but the outlook is much better to-day than it has been for a very considerable time.

Quite Sound Selections

G. D. S., Ont.—Would like your opinion of the following stocks I hold:

International Nickel common, bought at 32 and 38; Imperial Oil Co., Ltd., at 32; National Grocers 1st and 2nd preferred.

Have besides Bell Telephone stock and bonds, also Province of Ontario bond. What stock do you advise purchasing now, or is it better to stay out of market? What do you think of Union Carbide and new issue of McKinnon Industries in this city?

International Nickel is moving up steadily. It may do considerably better. There is talk of higher dividends.

Imperial Oil shares at 32 are a good speculation and should be held.

National Grocers preferred are well regarded. The new company seems to be doing well.

McKinnon issue got a favorable reception. The industry is on a sound basis.

The market is showing a reactionary tendency, but your holdings are such that there is little danger of their not weathering the storm.

Sterling Coal

G. L. D., Que.—Will you kindly advise if you would recommend buying Sterling Coal at present price of 40. How is the company's position as regards continuing the present dividend of four per cent.?

Sterling Coal profits, the last statement shows, fell off $30,000 and amounted to $2.82 on the 25,000 common shares as compared with $6.26 in 1924 and $4.88 in 1923. Dividends are paid at the rate of 4 per cent. Net working capital fell from $833,823 to $531,836. Surplus stands at $460,407 as compared with $489,788 in 1924. Only two mines were operating at the start of the last fiscal year, and then only part time. Trade conditions were responsible. Over development of the bituminous coal industry in the U. S., and the high wage scale, with prices, were factors. Sale of the Ohio properties is being considered. Profitable operations are possible in the New W. Virginia Mines when the market improves.

Has a Good List

F. C., Nova Scotia.—I hold securities as follows: Acadia Apartments 6½ per cent. bonds, $2.000; Drummond Investment 7 per cent., $500; Wayagamack Paper 6 per cent., $2,500; Howard Smith 7 per cent., $1,000; Bolivian Power 8 per cent., $1,000; Northwestern Utilities 7 per cent., $2,000; Manitoba Power 7 per cent., $2,000; N. S. Steel debs. 6 per cent., $1,500; Ottawa-Montreal Power, twenty shares pref. 7 per cent., $1,000; Power Corp., ten shares 6 per cent., $1,000; Fraser Companies, twenty-two shares 7 per cent., $2,200; Famous Players, ten shares 8 per cent.; Royal Bank, twenty-five shares. As I can sell Royal Bank stock at a good profit, I have an idea of doing so and buying something that gives a larger return. What would you advise putting the proceeds into? I want something in the line of a business man's investment to yield 6½ to 7 per cent. with reasonable safety, either bonds or good preferred stocks. How about Canadian Paperboard, Stanley Realty, Quebec Apartments, Winnipeg Electric, Ottawa and Hull Power, Provincial Paper in preferred stocks? Or a small portion in some substantial common selling at reasonable prices that are reasonably sure to advance?

It would not be our suggestion to sell your Royal Bank stock at the moment. It is true that the bank stocks have had a very considerable rise of late, and are considered by many to be high at present prices. On the other hand, it would be very easy to obtain a more speculative form of security with smaller returns. Furthermore, you would probably be able to buy to greater advantage in the near future if you contemplated the purchase of stocks. If you have decided to sell, however, there is a wide range of good investments in the bond market at the moment, and some of these you have mentioned in the suggested list.

A few good industrial bonds have recently been placed on the market, as well as some attractive preferred stocks, such as you mention.

You have a well chosen group of securities in our opinion, and there would not appear to be any advisable change at the moment in your list.

Cities Service Company

W. S., Guelph.—Would like some information regarding the Cities Service Co., and its relation with Henry L. Doherty & Co., who have opened offices in Toronto. Are the company's securities well regarded?

The Cities Service Company was incorporated in 1910 as a holding company to acquire securities of electric light and power, natural and artificial gas, steam heating, water, electric street and inter-urban railway and kindred corporations. It has also become, through subsidiaries and associated corporations, an important factor in the oil producing, transporting, refining and distributing industries of the United States and is now through these among the largest producers of high grade refinable crude oil. At the first of 1925 the company owned, directly or indirectly, the majority of the common stocks of more than 60 gas, electric light, heat and power, electric railway and water corporations and more than 40 oil producing and refining properties, operating in 19 states and in Canada. The number of propositions has been increased by about 25 during this year. Through associated companies and its subsidiaries important properties have also been developed in Mexico and South America.

The company has a contract with Henry L. Doherty & Co., by which it pays the actual expenses incurred in the management and operation of these properties and as a further compensation Doherty & Co., secured in 1916 an option on $3,000,000 of common stock at $225 per share and the right to purchase one-third of all the common stock issued within the next five years at $250 per share.

The Canadian subsidiaries of Cities Service include the Dominion Natural Gas Co., the Brantford Gas Co., the Ingersoll Gas Light Co., the United Gas Companies and the Woodstock Gas Light Co.

The parent organization has more than 200,000 security owners and in this respect ranks among the largest business concerns in the world. The Canadian office of Henry L. Doherty & Co. has been established in Toronto for the purpose of co-operating more closely with various Canadian subsidiaries of the Cities Service Co.

Because of the large number of companies represented in the Cities Service Co., Doherty & Co. are in a position to offer a wide range of investments within this company. These securities cover a considerable range in their rating and prices, and yields vary accordingly.

C.N.R. Income Bonds

J. G., Scotland.—In reading my copy of The Financial Post of October 16, I am much interested to see that in reply to your correspondent, D. D. J., you state that there is every reason to believe that the C.N.R. income bonds will be repaid by the Dominion of Canada in 1930. A great deal of interest used to be taken in these bonds on this side and I would be very glad if you would be good enough to amplify your statement and particularly I would like to know if, in your opinion, there is an obligation upon the government to repay these bonds in May, 1930.

There is every reason to believe that the Canadian Government will redeem the Canadian National bonds due in 1930 at face value. It would be difficult for us to answer your question directly with regard to what obligation exists upon the government to repay these bonds. The outcome depends very largely, we judge, upon the solution of the present railway difficulties of Canada. There is considerable agitation here for the sale of the Canadian National Railways to a private organization. No private organization, has been making any very definite offers for the road, but it is unofficially stated that some offers have been made for sections of the road. The whole matter depends upon the solution of this problem, but we feel that one would be safe in assuming that these bonds will be redeemed at their face value on maturity.

Dome Teck-Hughes

R. M. H., Ont.—I would be pleased to have your opinion of the following mining stocks as an investment: Dome Mines, the prevailing price of which is quoted at $15.80, and Teck-Hughes, quoted at $2.16.

Both Dome and Teck-Hughes have moved up somewhat since your letter was written. It may be that there will be a slight reaction in the price of Dome, although this is by no means certain. We publish elsewhere the annual report of Teck-Hughes. Dividend possibilities of this stock would indicate that it should sell higher.

Trusts and Guarantee

Enquirer, Hamilton.—I hold 20 shares of Trusts and Guarantee stock for which $100 has been paid on each. I have had an offer for the shares at $73.50 per share. Would like your opinion regarding this.

The offer of $73.50 a share for this stock appears to be about the market, although quotations have been advancing for some months and still appear to be moving up. Early in the year the quotations by dealers in unlisted securities were 69 to 72, and they have since moved up to the present level of 74-77. A price of $73.50 or $74 would appear to be reasonable in the event of a sale being desirable.

Our information is that the position of the company is improving steadily. The better conditions in Western Canada are no doubt largely responsible for the advance which has taken place in the price of the stock. We understand that directors of the company who are in the best position to know of its position and outlook have been the chief buyers of the shares offered on the rising scale of prices referred to.

French Bonds

W. S., Nova Scotia.—Will you please favor me with your opinion respecting investment in French government bonds? Would you favor bonds of the Kingdom of Norway in preference to bonds of the French government?

The prestige of the various issues of bonds of the French government do not rank nearly so high as they did some months ago. The extremely embarrassing position of the government at the moment creates uncertainty as to the outcome and for this reason, if for no other, we would suggest caution in the purchase of French bonds.

The bonds of the Kingdom of Norway which you mention are very well regarded; some of the issues command high prices, but in general they are a safe and good investment.

Dominion Steel

E. H., Ontario.—In the October 30 issue of The Financial Post it states that Dominion Steel preferred is secured by the common stock of five different subsidiaries. I understood that there is deposited as security for this $3,500,000 income bonds of the Dominion Coal and a similar amount of bonds of the Dominion Iron and Steel Co. Am I wrong in this?

Yes, you are quite correct. The assets behind the preference stock of the Dominion Steel Corporation include $3,500,000 income bonds of the Dominion Coal, and a similar amount of bonds of the Dominion Iron and Steel Company, in addition to the common stock of the five different subsidiaries.

These income bonds rank after the mortgages on the two subsidiaries, and as it is the British Empire Steel Corporation's policy to declare preferred dividends on all the subsidiaries at once, or on none at all, it appears that this additional security has little effect on the preference stock of the Dominion Steel Corporation, except, of course, in the event of a winding up of the Corporation, or any of its subsidiaries. A step of this nature seems most unlikely at any time.

Atlantic Sugar

Banker, Detroit.—I am desirous of obtaining your opinion of the common stock of Atlantic Sugar, as I am holding some of the shares and am in a quandary as to what to do.

As you are aware, Atlantic Sugar Refineries has a debt of over $3,000,000 owing to its creditors. This was incurred early in 1921 when the bottom fell out of the raw sugar market.

At the present time it has outstanding $1,111,100 in preferred stock and $4.888,900 in common stock. The former is 35 per cent. in arrears.

In the meantime, the management is endeavoring to arrange with its creditors a scheme whereby they will accept bonds in the company in payment in full for their claims. Should these negotiations,, which are at present going on, meet with success, it would materially improve the position of Atlantic Sugar.

As to the business conditions under which the company operates, these have decidedly improved since 1924 and the plant has been operating at full — and even above — capacity. Earnings during 1925 have shown a big improvement and, when the balance sheet for the year is published some time early in 1926, you will note a decided improvement. Its export markets are being regained and, with the exception of the poor balance sheet position, due to the big item consisting of raw sugar debts, the outlook seems fairly favorable.

The Business Press Has Become Crutch of Business

By CHARLES E. HERRICK,
Vice-President Brennan Packing Company, Chicago.

The publisher of the business press has of and for himself made great strides. The business press has more and more come to be the crutch of business; in fact, on many occasions it is a combination of father-confessor, physician, attorney and business advisor. Industry appreciates this service—a glance at any of the publications will disclose this multiple interest (and multiple effort for assistance) beyond contradiction. Business is accustomed to look to its trade press, not only for news, for market reports, but more and more for technical information regarding markets, methods of manufacture, methods of selling, and general trade practices. These are indispensable helps to business in general. They are accustomed to treat these various phases along broad lines without attempting too much detail, allowing the business executive to work out that detail for himself—but they lay the foundation and suggest the remedies of which he must make use.

Historian, Critic and Prophet

Business papers have on many occasions very happily pointed out new trends in the industry covered in their field. Their criticisms, too, of the weaknesses in organization, in methods, or policies which are a detriment to the industry as a whole, have received comment and thus attracted corrective notice.

Then there is always an opportunity to set up new objectives, to stress new and better ideals towards which the particular industry may strive and, from time to time, as occasion offers, to show, in retrospect, the progress which has been made toward such ideals. May I suggest that your service should be retrospective, introspective and prospective.

Certainly much encouragement can be gained by industry in looking back at roads already traveled and thus realizing the actual progress which has been made.

Introspection is necessary, especially in times like these, as conditions change, and as markets change, in order to keep pace with those changes.

Prospective consideration points out the new roads that should be traveled, new ideals to be sought after and new peaks to be achieved.

Industry, turning to its official, or favorite publication, may ask of it many questions which it might hesitate to ask of government agencies, of their bankers and, especially, of their competitors—but the publication is in a position to furnish information of that kind without disclosing the source of the inquiry and without injury to any of the interests involved. The business press can, and should be, of great assistance to the industry in shaping its advertising policies and advertising methods. In this line great progress has been made and not a little of the credit is due to the trade publications.

Formerly the opinion prevailed that there was no limit to the guilelessness of the public and advertising was framed largely along that line. Now "Truth in Advertising" is the slogan, and is being more and more closely followed.

Book Reviews

PRINCIPLES OF PERSONAL SELLING

It is being recognized to-day that the great problem of business is not so much production as distribution. Manufacturers have bent every effort in the past few years to lower costs by mass production and they are now going to consider ways and means of getting down selling cost. This is bringing on the market a number of fine treatises and volumes on the subject of distribution and selling. One of the finest and most valuable of these is "Principles of Personal Selling," by Professor Harry Tosdall, Professor of Marketing in the Graduate School of Economics of Harvard University, published by the A. W. Shaw Company, of Chicago.

It makes a scientific study of all phases of personal salesmanship, including not only the art and science of selling, but the administrative side. Methods of compensating salesmen; the direction of their activities are gone into thoroughly, in addition to the chapters on psychology and ability in selling. The volume, in limp leather, sells at $6.

N.Y. Private Wire Service

Our various offices are connected directly with our New York correspondents by a private wire. As this leased wire is exclusive between ourselves and New York a very rapid and accurate service is rendered.

This service is devoted to the use of clients desiring markets in Government and Corporation bonds of international interest, and for those having commission orders in securities listed on the New York Stock Exchange.

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POST-Scripts

THE area occupied by the average American city is six times that of the average European city, according to surveys made by the National Association of Real Estate Boards. It is the opinion of the association that the larger area explains the continuous building and realty activities of American cities. As a result of increased use of the automobile, the tendency toward larger areas for American cities is expected to continue.

THE following story as told by Jackson Dodds, assistant general manager of the Bank of Montreal, is blamed on Major S. C. Norsworthy, D.S.O., M.C. A clerk in Mexico City, suffering from a touch of sun, labored under the delusion that he was in St. John's, Newfoundland, inspecting. It was not a very serious case, and the doctor felt that he could clear up the hallucination by confronting the patient with some irrefutable evidence of his presence in Mexico. He asked Major Norsworthy to parade, before the sick man, Fraulein, the German nurse; Fong, the Japanese cook, and Pedro, the Mexican janitor, and ask him where he thought he was. The patient replied: "In St. John's, Newfoundland, inspecting." Major Norsworthy then said: "You do not think head office would send you to St. John's, Newfoundland, with Fraulein, your German nurse; Fong, the Japanese cook and Pedro, our Mexican janitor, do you?" Putting his somewhat weak hand on Major Norsworthy's shoulder, the unfortunate man replied: "Old boy, you never can tell what head office will do."

HOLDING companies which have primary, secondary and even tertiary subsidiary companies are interesting, for through this means it is possible for a capitalist to own the control of a company or companies, yet at the same time, not to have invested an amount equal to over 51 per cent. of the company which he desired to control.

For instance, it works out this way. A financier obtains 51 per cent. of the outstanding stock of a company. Wishing to withdraw some of his funds from that organization and to invest them elsewhere, he forms a holding company which takes over his original 51 per cent of the stock in the company which he still wishes to control. Upon forming this holding company, he sells 49 per cent. of its stock. It is possible in this way to control a company but, at the same time, only have invested the equivalent of slightly over 25 per cent. of the total stock outstanding of the company which it is desirable to control.

In some instances, a third company has even been formed, so that the controlling interests may withdraw still more of the capital invested and place it elsewhere, at the same time retaining control of the industry they originally purchased.

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The finances of the Republic of Haiti are in excellent condition and are subject to United States supervision and control during the life of the above issue. Apart from being a direct obligation of the Haitian Government, the bonds are a first charge upon the customs and internal revenues of the country, subject only to 5% for United States administration expenses. The total debt of the country is very low.

Price at market to yield about 6.25%.

We recommend the above bonds for sound investment and upon request will furnish full particulars of the issue. We shall also be glad to forward a copy of our booklet "Sound Bonds of Foreign Governments" which deals generally with foreign government external obligations. Write our nearest office.

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News of the Investment Market

BELGO-ST. MAURICE MERGER RATIFIED BY SHAREHOLDERS

New Company Will Have Total Assets of $43,000,000

Ratification of the plans in connection with the merger of the St. Maurice and Belgo-Canadian paper companies was given this week by the shareholders of the former company at a special meeting. The amalgamation is accomplished through a holding company called the St. Maurice Valley Corporation, which will acquire the majority of the shares of the two companies concerned. The new company will issue some $8,700,000, 6 per cent. bonds, and $6,800,000 preferred shares, and will have a common share capitalization of 160,000 shares of no-par value.

In addition to the new company mentioned, a further holding company, to be called the Newsprint Investment Corporation, will own the control of the St. Maurice Valley Corporation. This company will have a capitalization of 61,000 shares of no-par common stock. A debenture issue has also been authorized, and $2,500,000 of these debentures, along with the majority of its common shares, have been sold for cash. The balance of the Newsprint Investment Corporation stock is to go to the holders of the St. Maurice Paper Company on the basis of one share of the new for every five shares which were held in St. Maurice.

The amount of cash involved in the purchase of the St. Maurice assets will be approximately $12.139,300. Of this amount, $2,600,000 will cover the calling in of notes to that amount on the first of March next; $9,539,300 and accrued interest will be used to meet the cash payment of $100 per share on each share of St. Maurice common.

Ownership of New Stock

Under the new arrangement, the Newsprint Investment Corporation will have 61,052 common shares, of which 19,078, or 3¼ per cent., will go to the St. Maurice shareholders. There will also be an authorized total of $5,000,000, 7 per cent., 15-year debentures, of which 50 per cent., or $2,500,000, has been issued to pay for the stock of the St. Maurice Valley Corporation. It has been intimated that the actual payment of $100 cash and 25 per cent. stock of the Newsprint Investment Corporation will be made to St. Maurice shareholders at the 1st of March. Meanwhile, interest at 6 per cent. will be paid on the $100 to shareholders from December 1, 1925. The dividend ceased, however, in September.

The consolidated balance sheet of the new corporation shows combined assets resulting from the amalgamation of $43.435.998. Current assets amount to $7.662.153, and current liabilities to $3.012.462. Net working capital is thus $4.649,691.

The bonded indebtedness of the St. Maurice Valley Corporation consists of the $8,857,000 6 per cent. outstanding bonds of the Belgo-Canadian Paper Co., due in 1943. There is also the new issue of bonds that will be offered, as indicated above, amounting to $8 699.833. The new bond issue will be first mortgage and collateral trust, 6 per cent., due 1945. This makes a total bonded indebtedness of $17.556 833. The capital stock of the corporation consists of $5.000.000 7 per cent. preferred stock, and $6.800,000 of redeemable preference shares, making a total of $11,800,000. The first represents preferred stock of the Belgo-Canadian Paper Co., and the second a new issue of 7 per cent. cumulative redeemable preference shares of St. Maurice Valley Corporation. There is also common stock of no-par amounting to 150.000 shares.

In his address to the shareholders the president of St. Maurice estimated that the earnings of the two companies would be sufficient to represent $8 per share on the $150,000 shares of no-par common stock of the new corporation. It was further intimated that an earning power of $6 per share might be expected on the common stock of the Newsprint Investment Corporation.

It is understood that the executive of the new corporation will comprise: Sir Herbert Holt, president; H. Biermans, vice-president; J. H. Gundy, vice-president, and M. B. Wallace, chairman of the board.

Following is a statement of the balance sheet of the new company:

ASSETS	
Property	$34,533,331
Investments	767,798
Accounts and bills rec.	1,686,379
Pulpwood and log. supplies	4,807,222
Finished products, etc.	1,168,551
Insurance, etc.	472,715
	$43,435,998
LIABILITIES	
Bonds—	
Belgo 6's, 1943	$8,857,000
St. Maur. Valley 6's	8,699,833
Capital stock—	
Belgo pfd. 7 p.c. cum.	5.000.000
St. Maur. Val: 7 p.c.	6,800,000
Common. 150,000 shares no par value.	
Surplus and reserves—	
Surplus	6,779.846
Depreciation res.	3,011,857
Bank loan and accr. int.	499,676
Accts. and bills payable	1,950.016
Accrued wages	47,437
Accr. bond int. Belgo Co.	120.000
Belgo Co. dividends, pfd.	70.000
Do., common	127.500
Contingent reserve	197,833
Reserve to provide at par for acquisition of Belgo minority shares	1,275,000
	$43,435,998

Contingent liability: Notes under discount, $63,174.

Investor Should Examine Security Behind Bonds

MONTREAL.—An interesting bulletin of the National City Company, Limited, published this month, treats in an able manner the various features of public utility bonds.

The pamphlet reviews seven characteristics of these bonds under these heads: essential service, stability of earnings, freedom from competition, on a cash basis, customer ownership, simplified management, protective provision of the mortgage.

The article sounds a warning note, though, against the over-issuance of bonds in these companies; it says "In this country there is a tendency in newer developments to mortgage the property to the full cost of construction without any proper equity represented by proprietary stocks, which, too often, are not issued for cash payment. Against all obviously unsound financing, it is, or should be, easy for the investor to protect himself. Where the financial structure is sound and other requirements satisfactory, bonds of this type are today, as a class, an excellent medium for the employment of funds."

Chateau St. Louis Rents One-Third Floor Space

MONTREAL.—The structural and exterior work on the Chateau St. Louis, the new apartment house in the city of Quebec, has been completed and already about 35 per cent. of the apartments have been rented. Work on the interior is being carried out and the apartments will be ready for occupancy on the date scheduled, May 1, 1926. It is expected that all the space in the new building will have been rented by that date.

Some weeks ago the Quebec Apartments, the company which owns the Chateau St. Louis, sold a bond and preferred stock issue. Both issues are now in the hands of the public.

FIRMING TENDENCY NOTED IN BONDS OF GOVERNMENTS

French Bond Outlook Depends on Success of Present Drastic Legislation

The only material change in the investment market situation during the week is the strengthening which has taken place in the higher grade government and municipal issues. Dominion of Canada bonds, especially Victories, have reversed the weakening tendency of recent weeks and have strengthened materially. This is attributed by some to the effect of the success of the Ontario offering. The general condition of the market is, of course, favorable to any strengthening influence. Funds are available in large quantities, and, although some choice industrial issues have been placed on the market during the past two months, there is still a definite tendency to favor the higher grade government bonds as well.

The scarcity of issues in the market seems to have terminated for the moment at least. There is a larger range of offerings this week than has been the case for some months. Most of these are small municipal issues, it is true, but there are some important industrials also. It would seem that a number of municipalities have been awaiting market conditions such as those existing at the present time, but a comparison with the situation at this time during previous years suggests a tendency on the part of a number of the municipalities to come into the market towards the end of the year. There is still a fair volume of foreign securities coming into the Canadian market, especially French and German bonds.

Outlook for French Bonds

The cause for uneasiness on the part of holders of French bonds has been somewhat dispelled, for the moment, by the drastic legislation resorted to by the Briand ministry. The root of the whole difficulty, up to the present, is that the French people refused to face the necessity of greatly increased taxes, to balance the budget and stabilize the currency. It is yet to be seen, in the opinion of authorities, whether or not the present action is in time to effect a cure. A recently-published analysis of the situation by H. G. Moulton and Cleon Lewis, eminent American authorities on international finance, indicates that at least twelve billion francs of fresh taxes will yet be needed to balance the budget, even after drastic cuts in expenditures are allowed for, such as the postponement of reconstruction appropriations in devastated regions, as well as the curtailment of military expenditures. The proposals of these investigators involves a curtailment of anticipated expenditures, more drastic taxation, and a repudiation of the holders of the rentes of their rights to receive part of the interest due them.

A second alternative involves inflation and an adjustment of the internal level of prices to a definitely, pegged, devaluated franc, along with a willingness upon the Bank of France to use her emergency gold reserves to maintain the foreign exchanges. This scheme has some very delicate adjustments attached to it; yet it is hoped that by it there would be an increase of internal prices and incomes, while at the same time the huge items of dead charges on the expenditure side would for the most part be unaffected, and thus the burden of taxation would be lessened. It appears, however, that the French would rather pay heavy taxes than part with gold.

The socialist proposal for a capital levy of 10 per cent., payable over 14 years, would, they believe, yield one hundred and fifty billion francs, or over ten billion francs a year. This would have increased taxation to nearly 30 per cent. of the national income.

Briand's solution, which involves a rigid enforcement of the gold embargo, further severe taxes, the burdens of which will be adequately distributed over all classes, will yield at least eight billion francs. For the present, although more francs will be printed to make up the deficits, we are promised that this inflation will be the last one. There are many who believe that the present taxes will be inadequate and that in not a very long time from now, financial turmoil will again dominate French politics.

Maritime Tel. & Tel. Co. Makes New Bond Issue

From Our Own Correspondent.

MONTREAL. — Last week, Harris, Forbes Co. and the Royal Securities Corporation sold a $1,000,000 issue of five per cent. re-funding and general mortgage bonds of the Maritime Telegraph and Telephone Co.

These bonds were sold at 95½, which makes a yield of about 5.3 per cent. The company owns and operates without competition the telephone system in the province of Nova Scotia and controls the telephone business in Prince Edward Island. Its lines connect with the New Brunswick Telephone Co. system and it has other connections under favorable agreement for long distance business.

The company's earnings for the last fiscal year were equivalent to more than three times the annual interest required on all bonds issued, including this issue. The book value of the physical assets is over $6,600,000, or more than two and a half times the amount of bonds outstanding. Dividends have been paid regularly by the Maritime Telegraph and Telephone Co. and its principal predecessor for a period of thirty-eight years.

The bonds mature in 1956.

Would Withhold Loans to Low Currency Countries

Following the removal of the embargo against foreign and colonial loans, on the part of the British government, the Federation of British Industries have written the government expressing their approval of the measure, and suggesting further safeguards against the making of loans to countries of unstable currency. They call attention to the unfair advantage which the manufacturers in countries of unstable currency have over the British manufacturers. Their letter concludes:

While aware that the rehabilitation of their currencies must be considered to be primarily the concern of the governments and peoples of the offending countries, the Federation feel that the example which has been set by Great Britain, no less than the serious reactions upon British trade which are the result of this continued instability, would warrant His Majesty's government in taking any step in their power to encourage the return to more normal conditions and discourage the continuance of the present state of affairs.

They would suggest, therefore, as preliminary steps, that His Majesty's government should make it clear that no country with an unstable currency will be permitted to obtain any loan in the British market, except, of course, a loan contracted for the express purpose of currency stabilization. They further consider that where countries with unstable currencies are indebted to Great Britain no arrangement concerning these debts which involves any concession to the debtors should be concluded until the most definite guarantees have been given by the government of the country concerned that they will stabilize their currency without delay.

PAPER CO. RETIRES BONDS

MONTREAL.—The Canada Paper Co. has given notice that on February 1 next it will redeem all its outstanding thirty year, 6 per cent. bonds issued in 1908. The bonds are to be redeemed at 105 plus all interest accrued thereon up to the redemption date.

WILL ISSUE NEW BONDS

MONTREAL.—Power to issue $3,500,000 of bonds for the construction of new schools, is to be asked by the Catholic School Commissioners of Montreal at the next session of the Quebec legislature. New sources of revenue, to take care of the increased cost of operation with the addition of seven new schools, will also be asked.

CONTROL OF MOIRS PASSES JANUARY 1

$1,000,000, 6 Per Cent. Bonds of New Company Being Offered

From Our Own Correspondent.

MONTREAL.—The expected offering of bonds of Moirs, Limited, was made this week when the Royal Securities Corporation sold the issue at 99; a yield to the investor of about 6.6 per cent.

The offering consisted of $1,000,000, 6½ per cent., first mortgage, sinking fund bonds which are secured by a mortgage on all the assets of the company which had originally commenced business in Halifax, N.S., in 1842. Now the company stands as one of the leading manufacturers of chocolates and confectionery in the Dominion; in addition it does an extensive bread and cake business.

The company, upon the completion of the present financing, will be capitalized as follows:

	Authorized	Issued
6½% first mortgage bonds	$2,000,000	$1,000,000
Common shares	2,000,000	1,500,000

The chocolate and confectionery plant covers an area equal to seven acres, whilst through its bakery, the company operates the largest bread business in Halifax. It employs well over 1,000 persons. Included in the scope of its operations are paper and wooden box factories, a chocolate grinding plant and a power plant which provides a large portion of the power required in the various operations.

Statistics of the Issue

The earnings during the past four years have averaged over $244,000 or equivalent to three and three-quarter times the interest charges required on this present issue.

Excluding real estate having a value of over $118,000 and 11,000 acres of leasehold and freehold timber limits, the fixed assets have an appraised depreciated valuation of $1,779,003. The company's total assets, which are the security behind this issue of $1,000,000, total $2,764,857.

Moirs' business is not limited to the Dominion, but its products are marketed also in Great Britain, South America, Newfoundland and the West Indies. The present company was acquired from its original owners and the following board was elected this week: J. W. Moir, chairman of the board; O. E. Smith, president; I. W. Killam, C. M. Mitchell, J. C. MacKeen, W. A. Moir, C. V. Monaghan, W. C. Pitfield, H. P. Robinson, and J. H. Winfield.

The sinking fund clause in the trust deed covering the issue provides for an annual cumulative sinking fund which will receive payments equal to two per cent. of the bonds issued plus the interest on bonds which have been previously redeemed. This sinking fund will commence in 1929.

The bonds are dated January 1, 1926, at which date the new company takes over the control from its original owners.

QUEBEC SOUTHERN POWER Corporation

6½% FIRST MORTGAGE and Collateral Trust Sinking Fund Gold BONDS
Due May 1st, 1945

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CANADA'S WATER POWERS

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Net Dominion Debt Increased $22,594,074 During November

Increasing by $22,594,074 during the month of November, the net debt of the Dominion of Canada now stands at $2,382,616,883 as against $2,360,022,809 at the end of October. The net debt at the end of November last year stood at $2,411,754,347 so that there has been a decrease during the year, of $29,137,464. Following is the statement in detail:

DOMINION FINANCIAL STATEMENT
(November 30)

Liabilities			1924	1925
Funded Debt—				
Payable in Canada			$1,928,912,765	$1,943,175,620
Payable in London			336,001,469	311,668,136
Payable in New York			300,932,000	281,099,000
Temporary Loans			14,463,435	204,000
Bank Circulation Redemption Fund			6,369,376	5,904,274
Dominion Notes			255,296,235	215,017,083
Savings Bank—	1924	1925		
Post Office Savings Banks	$23,768,081	$23,318,758		
Dominion Government Savings Banks	8,819,972	8,766,022		
			32,588,054	32,084,780
Trust Funds			14,238,560	14,374,723
Province Accounts			11,920,327	11,919,990
Miscellaneous and Banking Accounts			64,377,005	84,065,891
Total Gross Debt			$2,965,099,229	$2,899,513,501
Investments— Assets	1924	1925		
Sinking Funds			37,469,252	37,458,537
Other Investments	$653,222,777	$652,848,876		
Less Non-Active	555,864,297	556,765,208		
	97,358,479	96,083,667	97,358,479	96,083,667
Province Accounts			2,296,173	2,296,173
Miscellaneous and Banking Accounts	473,644,899	438,212,559		
Less Non-Active	57,423,923	57,154,320		
	416,220,976	381,058,238	416,220,976	381,058,238
Total Active Assets			553,344,881	516,896,617
Total Net Debt November 30. No credit has been taken for non-active assets			2,411,754,347	2,382,616,883
Total Net Debt October 31. No credit has been taken for non-active assets			2,376,349,075	2,360,022,809
Increase of Debt			35,405,272	22,594,074

RAILWAY BONDS NOT INCLUDED IN DEBT

Net Debt of Canada Would be Increased by Them to Extent of Nearly Billion Dollars

OTTAWA. — The total appropriations for the Canadian government railways from their beginning to December 31, 1924, were $451,712,485. In computing the public debt of Canada, the finance department considers these railway appropriations and advances in the same way as investments in canals, public works, etc., i.e., as "inactive assets," and does not subtract such from the gross debt in computing the net debt; similarly, no interest is charged by the finance department on the railway advances. The total railway account shown by the finance department as inactive assets in its balance sheet for the year ended March 31, 1925, was $1,103,668,779, including $10,000,000 for the purchase of the capital stock of the Canadian Northern System.

Consequently, if the entire railway account were taken into the balance sheet of Canada, the net debt of Canada would be increased by the amount of the railway bonds held by the public, $913,913,083, as at December 31, 1924, against which, however, should be credited the value of the entire Canadian National Railway system.

ROBB HAS NOT USED UP POWER FOR BORROWING

(Continued from page 1)

placed on the Canadian market with a view to meeting the war loan and the Canadian one-year notes and also with a view to helping to replace the cash employed in meeting the earlier maturities, which had been retired in this manner to the extent of over $44,000.000.

Will There be Further Loan?

Now it is obvious that the funds secured by loan have not been sufficient to pay off all the maturities. The loan proceeds have, in fact, fallen short of this by something more than $19,000,000. This has apparently been secured out of the current income of the country or out of overdrafts at the bank. The question now is whether the ordinary income of the government will be sufficient to carry these payments on debt to the end of the year without making a further loan necessary.

Eight months of the fiscal year are already complete. During this period the current income of the government has been $258,995.434. Against this amount there has been $208,601,894 of ordinary expenditure and $12.080,605 of expenditure on capital and special account. There is thus available up to the present something over $38,000,000 from current income to be used to pay off debt or for other extraordinary expenditures. Of course, there are four months of the year still to go and something may arise to cut heavily into this surplus. But up to the present it would seem that the government would be able to retire some of its debt out of income this year.

There is, however, one considerable, element in the annual expenditure which has not been taken into account. This is the provision which the government has to make out of cash for the Canadian National Railways. Sound finance requires that the government should advance out of cash at least the full amount of the money which has to be paid in fixed charges over what is earned by the railway. This year—if present predictions by Sir Henry Thornton are borne out — it will be around eight or ten millions. Adding this to the $19,000,000 already taken for debt retirement, there would still be a fair margin left on the $38,000,000 of surplus income. If he is able to accomplish such a favorable statement for parliament, Mr. Robb will be a very fortunate Finance Minister.

IS SUCCESSION DUTY LEGAL?

Intimating that the enactment of succession duty in the province of British Columbia was in conflict with the British North America Act, Chief Justice Hunter, of Victoria, in dealing with an estate in Kamloops, made the following statement:

"It appears to me that the British North America Act plainly limits the power of the province to taxing only such property as has its situs in the province, and that the situs is the sole text of its right to tax and not the domicile of the owner, or, in other words, the question should be decided by ascertaining the domicile of the debt rather than that of the owner."

BOND MOVEMENTS OF THE WEEK

WEEK ENDING DECEMBER 8

BONDS	Int. Rate	Due Year	Yield	Range 1924 High	Low	Range 1925 High	Low	Latest Price Ask	Bid	High	Low
Asbestos	5	1942	5.64	83	73	99	80¼	—	91½	93	—
Can. Canners	6	1950	6.32	—	—	96¼	90	94½	94	96	94½
Cedar Rapids	5	1953	5.00	99¼	95	101	97	—	99¼	99¼	98¾
Mont. Trams, 1st mtg	5	1941	5.23	95½	91	98	94¼	96½	—	97¾	—
Mont. Trams (A)	5	1955	5.44	95½	91	98¼	93	93½	93	93½	93
Quebec Rly.	5	1939	5.73	91	80	98	89¼	94	93	93	92½
Rio Janeiro	5	1935	5.90	87	84	95½	82	—	93	93¼	—
Sao Paulo	5	1929	6.47	90	86½	95	91	—	94¼	94¼	—
Wayagamack	6	1951	6.65	86	76	98¼	84¾	92	91	92	91
War Loan	5	1931	4.61	102.45	101.60	102.65	101.00	102.20	102.10	102.05	102.00
Do.	5	1937	4.54	103.85	102.60	104.95	103.80	104.30	104.20	104.05	—
Victory Loan	5½	1927	4.44	103.05	102.05	103.15	101.70	102.25	102.15	102.00	101.90
Do.	5½	1933	4.65	106.70	104.15	107.00	105.10	105.65	105.55	105.65	105.30
Do.	5½	1934	4.98	104.70	102.85	104.80	103.20	103.75	103.65	103.75	103.50
Do.	5½	1937	4.55	108.90	106.15	110.00	108.15	—	108.60	108.65	108.50
Do. Refund	5	1928	4.81	100.85	99.50	101.45	100.15	—	100.50	100.50	—
Do. "	4½	1940	4.85	—	—	97.25	92.20	—	—	96.40	96.00
Do. "	5	1943	4.84	102.85	99.00	102.90	101.15	101.75	101.65	101.90	101.65
Do. "	4½	1944	4.75	97.15	97.00	97.75	96.20	96.65	96.55	96.75	96.35
Do. Renewal	5½	1927	4.90	102.70	101.10	102.95	100.80	101.30	101.20	101.20	100.95
Do. "	5½	1932	4.98	103.90	102.10	104.20	102.65	103.15	103.05	103.00	102.65

WEEKLY RECORD OF CANADIAN FINANCING

Place	Date	Sold To	Rate	Maturity	Amount	Price	Yield
		MUNICIPAL					
Bond Sales—							
West Gwillimbury Twp.	Dec.	Fry, Mills, Spence & Co.	5½%	1955	$ 52,000	105.18	516
Arnprior	Dec.	Bell, Gouinlock & Co.	5%	1941	35,000	97.92	5.19
Black Lake	Dec.	Bray, Caron & Dube	5%	1940	75,000	96.58	5.52
St. Henri de Taillon, Que.	Dec.	Bray, Caron & Dube	5½%	1930	50,000	97.88	6.25
Saskatchewan Schools, etc.	Dec.	Various	....	....	15,175	....	...
Haldimand County	Dec.	H. R. Bain & Co.	5%	1945	100,000	99.76	5.02
Preston	Dec.	McLeod, Young, Weir & Co.	5-5½%	15-20 ins.	63,440	99.55	...
		CORPORATION					
York Adelaide Realty Co.	Dec.	W. A. Mackenzie & Co.	7%	1945	$ 400.000	100	7.00
Moirs, Ltd.	Dec.	Royal Securities Corp.	6½%	1946	1,000,000	99	6.60
Maritime Telegraph & Telephone	Dec.	Harris, Forbes & Co. & Royal Secur. Corp.	5%	....	1,000,000	95.50	5.30
Burrand Inlet Tunnel & Bridges	Dec.	Royal Financial Corp.	5½%	1945	70,000	102.44	5.30
Stock Issues							
Federal Alcohol Distillery	Dec.	A. D. Macpherson & Co.	Cap. Stock		$200,000	$12.50 sh.	

Municipal and Provincial Finance

MUNICIPAL COSTS SHOW REDUCTION IN SASKATCHEWAN

General Improvement in Financial Standing of Municipalities

A decided improvement in the financial standing of the municipalities of the province of Saskatchewan is apparent from the annual report of the department of municipal affairs of the province, recently submitted by J. J. Smith, deputy minister, to Hon. C. M. Hamilton.

"Expenditures have been considerably reduced," states Mr. Smith, "in the large majority of the municipalities, while tax collections have greatly improved everywhere, with the result that the per capita municipal taxation in the province shows a substantial decrease. As pointed out in the statistical portion of the report the average per capita of taxes levied for general municipal purposes has decreased in the last few years by eighteen per cent. in the rural municipalities, ten per cent. in villages, twenty-one per cent. in towns, and twenty-six per cent. in cities. School taxes show a per capita decrease of fifteen per cent. in rural municipalities, three per cent. in villages, nineteen per cent. in towns and five per cent. in cities. There has been a marked improvement in the year 1924 in rural municipalities, villages and towns. In each of these three classes of municipalities the tax collections reached the highest percentage recorded during the past three years.

In cities the tax collections fell slightly below the mark set in 1923, although the collections are still considerably above those of 1921 and 1922. Expenditures in the year 1924 show a considerable reduction in rural municipalities, cities and towns. In villages there has been a slight increase in expenditure though the general financial standing of the villages has improved. Much credit for this improvement in municipal conditions is due to the councils and officials of the municipalities throughout the province.

Improvement in Accounting

The reports of the municipal officials show a steady improvement in the work of municipal officials and the conduct of municipal offices. This improvement is attributed in no small measure to the growing disposition on the part of council boards to recognize the importance of the work done by municipal officials and to pay them more adequate remuneration. It is regretted that in some cases the councils do not realize the necessity of having thoroughly competent auditors to audit the records and accounts of the municipality. The importance of efficient auditing cannot be too strongly emphasized. The auditor of the municipality should be a thoroughly capable official. It is the policy of the department to encourage the appointment of professional auditors wherever practicable, as it is found that the local auditors do not always possess the required qualifications. There has been a considerable increase during recent years in the number of professional auditors appointed by municipal councils, and this in the opinion of the department is a hopeful sign.

Lower Taxation

"Taxation in all classes of municipalities is still showing a downward trend, which is very marked in the case of taxes levied for general municipal purposes, which are less by 17 per cent. in towns and 22 per cent. in cities than the levies of 1921. Eliminating all taxes which are in the nature of a direct service charge, such as hail and telephone taxes in rurals and local improvement taxes in urbans, we find that the total average contribution per person has decreased during the past three years by 15 per cent. in rurals, over two per cent. in villages, 18 per cent. in towns and 17 per cent. in cities.

"Improvements in the realization of cash from taxes continued during 1924 in rurals, villages and towns. In each of these three classes of municipalities the average percentage of collections in 1924 reached the highest point of any recorded during the past three years. In cities the average percentage of collections fell below the mark set in the previous year, but it is still above the percentages realized during 1921 and 1922. In rurals both uncollected arrears of taxes and balance of tax sale holdings not realized are steadily decreasing each year. This is being done through decreasing tax levies, and increasing percentage of collections and an increase in the proportion of tax sales bought by purchasers other than the municipalities. The situation in urban municipalities is almost the reverse.

Expenditures Down

"Due to decreasing taxation total revenues in rurals, towns and cities are also decreasing. Offsetting the decrease in revenue from taxation there is a steady increase in sundry revenues such as licenses, commissions, rentals and other service charges. The effect is the taxpayers' share of the cost of government is being gradually reduced. In villages total revenues have increased slightly since 1922, but this increase is less than one per cent. and is partly accounted for by the erection of new villages.

"Considering expenditures for operation and maintenance only (eliminating capital expenditure) we find there is a steady decrease in the totals spent by rurals and towns. Cities show an increase in 1924 but the net decrease in cities since 1921 is five per cent. In villages total expenditures for operation and maintenance have been gradually increasing since 1922, the totals for 1924 being almost three per cent. greater.

This Week's Bond Sales

ST. HENRI DE TAILLON ISSUE

MONTREAL.—The firm of Bray, Caron and Dube were awarded the $50,000, 5½ per cent., 5-year serial bonds of the town of St. Henri de Taillon, P. Q., at 97.88. This price is the equivalent of 6.25 per cent. basis.

BLACK LAKE BONDS

MONTREAL.—An issue of $75,000 5% 15-year serial bonds of the town of Black Lake, P.Q., was awarded to Bray, Caron & Dube, at 96.58, which is equal to a cost basis of 5.52 per cent. Tenders were as follows:

Bray, Caron & Dube	96.58
Credit Canadien, Inc.	96.35
L. G. Beaubien & Co. and Municipal Debentures Corp.	95.33

GWILLIMBURY TOWNSHIP

The Township of West Gwillimbury has awarded an issue of $52,000, 5½%, 30-year instalment debentures to Fry, Mills, Spence & Co. at a price of 105.18. Following are the bids:

Fry, Mills Spence & Co.	105.18
Stewart, Scully & Co.	104.69
Municipal Bankers	104.574
McLeod, Young, Weir & Co.	104.125
Wood, Gundy & Co.	104.09

PRESTON BOND ISSUE

An issue of $63,440, Town of Preston bonds has been awarded to McLeod, Young, Weir & Co. at a price of 99.55. The bonds mature as follows, $53,000, 5% in 20 instalments, and $10,440, 5½% in 15 instalments. The bids were:

McLeod, Young, Weir & Co.	99.55
A. E. Ames & Co.	99.29
H. R. Bain & Co.	99.24
C. H. Burgess & Co.	98.83
R. A. Daly & Co.	98.69
Gairdner & Co.	98.632
Cochran, Hay & Co.	98.09

COUNTY OF HALDIMAND

H. R. Bain & Co. were successful tenderers for an issue of $100,000 County of Haldimand 5%, 20-instalment bonds on a bid of 99.76. The bids were:

H. R. Bain & Company	99.76
Municipal Bankers Corp.	99.53
Wood, Gundy & Co.	99.50
Fry, Mills, Spence & Co.	99.43
Bell, Gouinlock & Co.	99.40
Dyment, Anderson & Co.	99.398
Cochran, Hay & Co.	99.276
A. E. Ames & Co.	99.19
McLeod, Young, Weir & Co.	99.19
Gairdner & Co.	99.15
Aird, McLeod & Co.	99.13
Dominion Securities Corp.	99.0725
MacNeil, Graham & Co.	99.03
C. H. Burgess	98.96

Tenders and By-laws

TENDERS CALLED

Dec. 14, Municipality of the Parish of St. Augustine, P.Q.—$25,000, 5 per cent. serial bonds. E. Vann, sec.-treas.

Dec. 15, School Commission of Kenogami, P.Q.—$16,600, 5½ per cent. serial bonds. A. Roche, sec.-treas.

Dec. 16, Brantford—$137,800, 5 per cent. debentures, maturing annually, 1928 to 1963. Arthur K. Bunnell, treas. (See announcement elsewhere in this issue).

December 21, Village of Pointe au Pie, P.Q.—$13,200, 5½ per cent. serial debentures. Chas. Desbiens, sec.-treas.

December 23, School Municipality of Privat, Abitibi, P.Q.—$12,000, 5½ per cent. serial bonds. J. A. Bisson, sec.-treas.

December 21, Town of Aylmer, P.Q., School Trustees—$25,000, 5 per cent., 30-year debentures. R. K. Edey, sec.-treas.

December 22, Town of Kenogami, P.Q.—$51,000, 5 per cent., 10-year bonds. D. Deners, clerk.

December 15, Municipality of St. Colomb de Sillery, P.Q.—$46,600, 5 per cent. serial bonds. T. H. McNeil, sec.-treas.

December 23. School Municipality of Quebec West, P.Q.—$42,000, 5 per cent. serial debentures. G. Rowleau, sec.-treas.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from Nov. 21 to 28, 1925

Dubois Lake S. D. No. 3747 $400; Elk S. D. No. 3776, $1,500; Walpole R.T. Co., $700.

Debentures Deported Sold

Ridgedale Village, S.D., No. 4507—$2,500, 20-years, 6 per cent., C. C. Cross & Co., Regina. Barhill, S.D., No. 4567—$4,500, 15-years, 6 per cent., Regina Brokerage & Inv. Co. Evelyn, S.D., No. 4600—$2,800, 15 years, 6¼ per cent., Geo. Moorhouse, Regina. Scrip, S.D., No. 4 30—$3,600, 15-years, 6 per cent. Regina Brokerage & Inv. Co. Birch Hills, R. T. Co.—$1,775, 10-years, 6 per cent., Geo. Moorhouse, Regina.

Debentures Reported Sold

Killaley S.D. No. 1594, $1,000, 10 yrs., 6½ per cent.; Moorhouse & Co., Regina. Gouverneur No. 4557, $3,500, 15 yrs., 6 per cent.; J. Griffin, Gouverneur, Sask. Bodmin No. 4,490, $600, 10 yrs., 7 per cent.; C. F. Cross & Co., Regina. Tipperary R. T. Co., $250, 10 yrs., 7 per cent.; Nay & James, Regina. Cudworth R. T. Co., $725, 9 yrs., 6½ per cent.; C. C. Cross & Co., Regina. Fortune R. T. Co., $600, 12 yrs., 6¼ per cent.; C. C. Cross & Co., Regina.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	100	101
Alabama 5% 1962	107	108
Algoma Steel 5% 1962	29½	30¼
Belding 5% 1936	85	..
Belgo Can. Paper 6% 1943	100½	101
Brand-Henderson 5% 1939	90	..
Burns, P. & Co. 6½% 1943	102¼	103¾
Can. National Rly. 5% 1954	100¾	101¼
Calgary Brewing 5% 1942	83½	..
Can. Steamship Lines 7% 1942	100¼	101
Can. Pacific Rly. 5% 1934	99½	100
Can. Pacific Rly. 4½% 1944	92¼	93
Can. Steel Foundries 6% 1936	100	..
Dom. Iron 5% 1939	64½	..
Dom. Textile 6% 1949	105	106
East Koot. Power 7% 1942	102	..
Frontenac Brewing 6% 1951	94½	..
H. Smith Paper 7% 1941	96¾	97½
Laurentide Power 5% 1946	99¼	100
Laurentian Power 6% 1936	99¼	..
Maple Leaf Milling 6½% 1943	104	..
Man. Power 7% 1941	103	104
Mattagami 7% 1949	35	..
Montreal Steel Works 6% 1940	100	..
Prov. of Ontario 5% 1948	100¼	101
Nor. Ont. Power 6% 1931	98¾	99½
Ontario Pulp 6% 1931	107	..
Price Bros. 6% 1943	101	..
Quebec Power 6% 1953	102¾	103
Walmsley, Chas. 6% 1943	96	98
Winnipeg Elec. 6% 1954	96¾	97¼
Sherbrooke Rly. 5% 1940	77½	..
St. Law. Sugar 6% 1932	92	..
St. Maur. Power 6½% 1953	108¼	109

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B.C. LAST STAND OF SHINGLE INDUSTRY

Coast Province Boasts Large Forests Exclusively of Cedar of Excellent Quality

From Our Own Correspondent.

VANCOUVER.—British Columbia is the last stand of the shingle manufacturing industry and within a few years more shingles will be produced within its borders than anywhere else along the Pacific coast, according to J. H. Bloedel, of the Seattle firm of Bloedel, Stewart & Welch, one of the biggest lumber and shingle manufacturing concerns in the Pacific northwest.

While there are still vast stands of cedar, from which shingles are manufactured, in the forests of Washington and Oregon there is a very large proportion of hemlock and other species in the same stands, making production a costly proposition. In British Columbia, on the other hand, there are very large forests almost exclusively of cedar.

The number of shingle mills in British Columbia is steadily increasing, and several large lumber mills, the majority of them backed by United States capital, have been established in British Columbia in the last few years. One of the largest projects on the coast recently cut its first log at Chemainus on the east coast of Vancouver Island. The mill has a capacity of cutting 400,000 feet of lumber daily, and is controlled by the Weyerhaeusers, one of the most powerful American lumber syndicates in the United States.

A menace to the lumber industry in certain phases is seen in the development of box manufacturing in Russia. Cheap Siberian spruce is being used there and while the competition of Japanese boxes in Mediterranean countries was not noticed when the yen was near par, the competition is very keen at present.

FREDERICTON HOSPITAL BONDS

The Fredericton city council has agreed to guarantee an issue of bonds by the board of trustees of the Victoria Public Hospital, not exceeding $10,000, to establish an isolation building.

FORT WILLIAM HOTEL

The establishment of a hotel adequate to meet the needs of the community and attract a tourist trade is to be made one of the issues in the coming elections in Fort William. The present proposal is for the expenditure of $150,000 by the owners of the present hotel on extension and improvements. In return, the city will grant exemption from all municipal taxes for ten years, except school levy and local improvement rates.

SAFE DEPOSIT SERVICE
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Backed by First Mortgages on City of Montreal Real Estate
Sherbrooke St. Realty Corporation
6½% First Mortgage S.F. Bonds
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Full particulars on application
HANSON BROS.
Investment Securities
160 St. James St. Montreal 330 Bay St. Toronto
63 Sparks St., Ottawa

Quebec Harbour Commissioners
4% Bonds
Due Dec. 1st. 1941
The Quebec Harbour is the property of the Dominion Government. The capital and interest of this issue have a prior lien on the net revenue of the Commission.
Price: 88.85 and interest to yield 5%
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PRICE: 97.25 and Accrued Interest, yielding over 4.75 per cent.
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Write for our list of RECOMMENDED INVESTMENTS

December Maturities
Amongst other securities which matured on December 1st were the Dominion of Canada 5% Bonds.
Fraser Companies Limited 6% 1st Mortgage Bonds to yield 6⅛%
are an excellent security for the reinvestment of these funds.
May we forward our circular "F.C."
H. B. ROBINSON & Co. Limited
Investment Bankers
35 King St. West TORONTO ELGIN 1224
260 St. James Street MONTREAL MAIN 8542

Insurance for Buyer and Seller

VOYER SELLS 24 COLD PROSPECTS IN THREE DAYS

French-Canadian Life Insurance Agent Tells His Methods

Selling life insurance in French-Canada has its peculiar and individual problems, but in the main it demands the same primary elements of tact, force and knowledge, that make for success in any other field. This is true, whether one is selling insurance in the heart of Montreal or in the rural parishes.

Jean T. Voyer is a French-Canadian life insurance salesman who has taken the country parish as his sphere, and is making good as a life underwriter. He represents the Excelsior Life at St. Georges, in Beauce county, and ranks as one of the leading salesmen of his company.

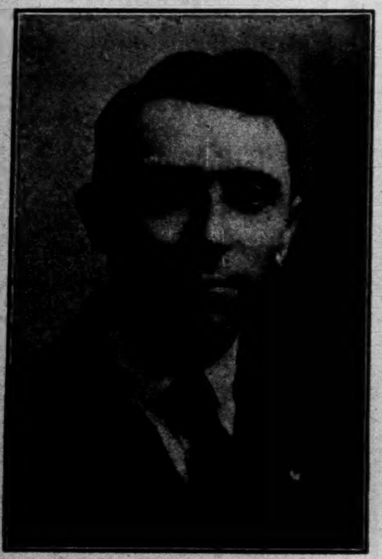
Mr. Voyer has been successful because he considers success is a duty, and he has studied how best to do his duty.

Here is his method of selling as he tells it (his French being given the English rendering):

"The first thing I see to, when I approach a stranger to interest him in life insurance, is to arrange an introduction by one of the leading citizens of the parish. With this good beginning, I put myself at once into the prospect's picture by talking about the things that interest him above all else—himself and his affairs. I discuss insurance in relation to his business, and show him how life insurance can serve to crown his business efforts with success.

Doesn't Knock Other Agents

"I tell him about my company and its advantages. Never have I attempted to cast discredit upon any other company or any other agent or their policies.



JEAN T. VOYER.

"I do not need to say that life insurance men are always crossing each others' trails, and too many of them try to unsell their clients on other policies just to sell their own. That never brings success.

"In the country districts we have business men, workmen and farmers. All are prospects for insurance and I seek business from all classes.

"I have only been selling life insurance a little more than one year, and if I have had any success it is because I work hard all the time. This year I shall write at least $100,000 more business than I wrote last year.

"A very good principle to follow and one that I have always practised myself, is to deliver each policy personally. I always take the opportunity afforded by these visits to explain the policy to the client, so that he knows exactly how valuable it is to him.

"I keep in touch with my policyholders and give them service, and in return I find they help my business because they put in a good word for me now and then.

Three Big Days

"I have been able to average $30,000 to $60,000 a month of new business, chiefly in $1,000, $1,500 and $2,000 policies. My largest month's business has been $58,500, but when I came back from our convention this summer I got busy and sold $32,000 of business in three days. This represented 24 applications, not one of which represented any advance preparation."

Such a record stamps Mr. Voyer as a good salesman. And yet there is nothing to his salesmanship but common sense, thoughtfulness and work.

Another Anti-Discrimination Order Issued in Ontario

R. Leighton Foster, Ontario's superintendent of insurance, has again issued an order, restraining an insurance company from quoting discriminatory rates on automobile insurance.

This time the order is upon the General Accident Assurance Company, which is told to remove discrimination by reducing rates on Chevrolet and McLaughlin private passenger cars in Hamilton.

Ontario Equitable Life has made a move in the direction of standardization and simplification of its policies. It has found, by investigation, that 80 per cent. of its business is written on four plans—life, limited life, endowment and term. It intends to concentrate on these and a few other plans and is discontinuing special plans that have been in force.

Banker Should be Consulted in Life Insurance Scheme

Close Relationship Between Insurance and Credit Make Advice of Banker Worth-while in Drawing up Schedule of Insurance to be Carried

By JOHN H. WILSON,
of the Canada Life, Toronto

Here is the banker's viewpoint when considering an application for credit:

The first banking test of whether a particular open loan should be granted or not is "Can the borrower in the ordinary course of business retire the obligation within a reasonable period?" A reasonable time may be as long as a year or as short as three months or less.

If this question is satisfactorily answered, the next consideration is "Should a change of conditions take place which makes the customer unable to do this; is there still sufficient protection so that the bank will avoid a loss?"

Thirdly, "Will the account pay?" No bank should be expected to carry an account which does not produce for the bank a reasonable margin of profit.

The answer to these questions is closely allied to the subject of business insurance needs. Allow me to quote the following from an insurance paper:

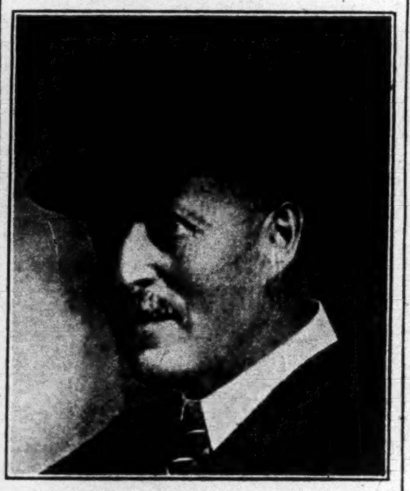
An incident where life insurance saved a financial situation for some business men is told by the Bankers Life of Des Moines in the following: "Two men of big business in Northern Minnesota tried recently to work out a plan for the financing of an extensive expansion of their business operations. They conferred with representatives of a great financial institution in Chicago. They proposed to issue bonds to raise the necessary money for the enlargement of their business enterprise, and the Chicago institution was asked to handle the financial arrangements and to place the bonds on the market. The whole proposition of the business and its expansion was gone over during an entire day, and at the close of the day the opinion of the financial man was that his concern could not handle the financial arrangements. All of the evidence was in and it looked as though growth would have to be curtailed at that time. As the men were seated round the dinner table in the evening, life insurance was mentioned in a casual way, and the representative of the Chicago concern asked these two men what life insurance they carried. They told him that each carried $50,000. The financial man said, "Why didn't you tell me that before? Why did you not put it in your statement? That is a determining factor in your favor, and in view of the insurance you men carry, we look on this proposition in an entirely different way. We will go ahead and make these financing arrangements for you." This is an object lesson, and these two men now realize how important life insurance is in the world of business and finance. Their life insurance was the one thing that they needed to make it possible for them to expand and go ahead in their business. The prospectus of the bond issue to raise the funds for this business expansion contains a statement prominently positioned that these men carry $100,000 of life insurance.

An officer in one of our leading mercantile agencies has declared that, "During the past decade corporation and partnership insurance would have saved more than one million employers from sinking back into the ranks of the employed." This is a staggering statement, but it is supported by the report of another agency to the effect that one-third of all business failures are attributable to deaths for which no provision has been made.

In view of these facts, I have the temerity to predict that as the varied uses of life insurance become more generally known and recognized, it will not be many years before the banker or the credit man, as the case may be, will collaborate with the life insurance underwriter, being called in where necessary, with the consent of the customer, for consultation as to life insurance needs. Banks have no hesitation in insisting upon fire insurance protection; why should there be any more reticence in demanding the equally necessary covering of life insurance?

I see nothing chimerical or utopian in predicting such a practical and commonsense solution of an everyday and very commonplace need. Such consultations between banker, borrower, and underwriter, would solve many a knotty question connected with finance or credit, would lead to business for all, credit for the customer, bringing an increase in his business; loans for the banker, with larger profits for the bank; loans which would probably otherwise never have been granted, and policies for the insurance companies, besides the making of fast friends as the result of services rendered.

If this is brought about, it will mean halcyon days for many a struggling man of business, extra security and larger and safer loans for the banker, and a much increased field for the life insurance underwriter. This is no chimera, no will-o'-the-wisp, but a practical solution for many a problem in finance and credit.



JOHN H. WILSON,

Banquet Retiring Manager of Sun Life, in Winnipeg

From Our Own Correspondent.

WINNIPEG.—D. J. Scott, for many years divisional manager of the Sun Life for Manitoba, who has been chosen to open the company's new office in Chicago, was banqueted by the local agency force and office staff the other night. The gathering was a most enthusiastic one, but there was a note of real sorrow at losing a manager who had made himself much beloved by his staff.

R. S. ROWLAND,

Mr. Scott is being succeeded by R. S. Rowland, former chief of the mortgage department, as divisional manager.

S. L. Rothafel, known as "Roxy" to millions of radio enthusiasts, has taken $2,000,000 life insurance on his life, made payable to the Roxy Theatres Corporation, of New York, of which he is president, for the protection of the stockholders of the company.

Life Insurance Inspector

Young man 28 years of age with 8 years' experience in life insurance, both inside and out of the head office, including 4 years in the Actuarial Department, will be open for position in January. Travelling in Ontario preferred but am willing to go anywhere.

BOX 2, FINANCIAL POST,
Toronto, Ont.

Are you a thinking man?

Thinking men are now awake to the wide advantages offered by insurance. Is your home, your valuables, your business, fully protected against accident, fire and theft?

Talk it over with one of our agents. He will give you full particulars of any form of protection you require.

THE BRITISH AMERICA ASSURANCE CO.
OF TORONTO
ESTABLISHED 1833

THE MONARCH LIFE
IS A
GOOD COMPANY
Provincial Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.

We Recommend a
6 P. R. POLICY (SIX PREMIUM RETURN)
an exclusive Northern Life plan
The Northern Life's 6 P.R. policy is one of the most popular 20 pay life policies in Canada.
For further information regarding this attractive plan consult your nearest Northern Life representative or write our Home Office.
The NORTHERN LIFE
ASSURANCE COMPANY OF CANADA
LONDON, ONTARIO — ESTABLISHED, 1897

The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$87,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — ALEX. STEWART, Treasurer

THE
Western Empire
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON
CALGARY
EDMONTON
VANCOUVER

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. GEORGE
Superintendent of Agencies

INSURANCE
Fire, Automobile, Accident Liability, Etc.
Intelligent Advisory Service
OSLER, HAMMOND & NANTON
WINNIPEG LIMITED

SIZE - STRENGTH

The Sun Life Assurance Company of Canada has assurances in force amounting to over one-quarter of the business held by Canada's twenty-eight life insurance companies.

The assets of the Sun Life Assurance Company of Canada are equal to over one-third of the combined resources of all these Canadian life insurance companies.

You can rest assured.

SUN LIFE ASSURANCE COMPANY
OF CANADA
HEAD OFFICE : MONTREAL

Free
GOLDEN OPINIONS
Booklet

"American Credit booklets are always so interesting and instructive," says one Canadian manufacturer; and this new offering is no exception.

It contains letters about our policies of Credit Insurance from many well-known firms such as Penick & Ford, Ltd., Bastian-Morley Co., Philadelphia Storage Battery Co., Atlanta Woolen Mills, The Wahl Co., Griggs, Cooper & Co., Marlboro Cotton Mills, Etc.

These letters should be read and studied by every Manufacturer and Wholesaler whose aim is the preservation of hard-earned profits. Write or phone for your free copy to-day.

CANADIAN DIVISION
The AMERICAN CREDIT INDEMNITY COMPANY
of New York — J. F. McFadden, President
R. J. MULLEN, General Manager for Canada.
Toronto Office, Metropolitan Bldg., Phone—Main 4316.
Montreal Office, Canada Cement Bldg., Phone—Lancaster 3258.
JR690

DOMINION
LIFE

The Sure Shield

This income is a certainty

Have you provided a fixed and *sure* income for your wife after you are gone?

A Dominion Life Policy will provide both the income and the *certainty*. Ask the agent.

125

Established 1889
The DOMINION LIFE ASSURANCE COMPANY
Head Office: WATERLOO, Ontario

1924
Policy-holders in the Mutual Life of Canada earn $3,697,142·38 on their investments
&

Mutual Investments Help Men Sleep at Night

THE MUTUAL LIFE OF CANADA has had the benefit of shrewd, far-sighted counsel in the placing of its investments. Government bonds, Municipal bonds and debentures and such securities form a very large proportion of the total investments of the Company. Many of these, purchased during the war period and its aftermath, will yield high interest for long terms to come.

The strength of these selected investments means absolute security for Mutualists. The profitable income they assure lowers the cost of Mutual insurance, because under the Mutual principle, the entire net profits are paid back to policyholders.

Let us send you the Mutual Book which explains in full detail.

The MUTUAL LIFE of Canada
WATERLOO, ONTARIO
821

Current Events in Banking World

Possible Danger Signals in the Balance Sheet

Some of the Things the Manager Should Guard Against in Order to Prevent Losses on Current Loans

In the history of the Canadian banks there has never been a time when savings deposits have represented such a big surplus over current loans. This surplus is about $365,000,000. Prior to the war, during a long period of development, loans were normally substantially higher than deposits.

The banks then have large funds available. Primarily their business is to make commercial loans on a profitable basis. Under the prevailing conditions energies are being directed to securing sound loans rather than building deposits. For this reason the branch manager is particularly interested in methods of judging when loans can safely and profitably be made. A series of articles will appear on this page dealing with this problem.

In the following article, based on an address delivered to the Bankers' Lecture Club, Winnipeg, Jackson Dodds, assistant general manager of the Bank of Montreal, discusses some of the possible danger signals in commercial accounts for which the manager should be on guard.—J. W. T.

Bankers do not keep clear of losses by good luck, but by good management. Great care should be taken before new advances are put on the books, and, having placed them there, we should not forget to look after them; it is a platitude to say that because a firm is good to-day it does not follow that it will be so forever.

It is not good policy to be preaching continually to customers about the way they should handle their affairs, but a little well considered advice given at the proper time will generally be acceptable to most business men if you are on the terms which should exist, between banker and client. I have before me a list of some danger signals in commercial accounts. I do not think there is a single item on the list of which I could not show you a practical example in the past 20 years.

Let us deal with a concern's balance sheet and profit and loss statement.

One of the first and most important danger signals is—a decrease in the percentage of liquid assets to liabilities, especially when the percentage is low. You should make sure that any trade paper under discount is included on both sides of the balance sheet when making a comparison.

If there is an increase in merchandise in amount or not in proportion to sales—the question immediately arises as to why this has happened. Is the company becoming overstocked or speculating in merchandise? Upon what basis is the valuation made? The manager should be in sufficiently close touch to know whether or not the stock is well assorted and contains very little dead stuff. It is impossible to have hard and fast rules in connection with matters of this kind; for instance, during the war it was necessary in many cases for the wholesalers to take, not what they wanted to buy, but what they could get; stocks in those days were often not properly assorted. Shelves should no longer contain goods which can only be sold at sacrifice prices; if a customer still has any stock of this nature it should be well written down. Many classes of goods, too, deteriorate with age. Incidentally, is sufficient fire insurance being carried? Is there an 80 per cent. co-insurance clause?

If there is a decrease in merchandise, for instance, where replacement cost would be excessive—you can easily see the difficulty a concern would be in if their opposition had ample stocks bought at low prices.

If there is an increase in bills receivable—you would naturally enquire as to the quality and how spread. Has you customer been pushing the sale of goods recklessly and in doing so put weak risks on his books? This opens up another point —has full provision been made for losses and weak accounts?

If there is a decrease in bills receivable, unless there is a corresponding improvement shown elsewhere—for instance, a reduction in bills payable—you would be correct in making enquiries.

If there is any disposition to attempt to do more business than the liquid surplus justifies — a concern that runs up large liabilities in order to do business places itself in a precarious position in bad times. If the owners show a disposition to do more business than the liquid surplus justifies they should be advised to obtain more capital.

If amounts owing by partners and members of the firm are more than nominal or increasing, you should express your views without delay. If people in control are not sagacious enough to look after their own affairs, they can hardly expect the bank to have much confidence in their management of the firm's business.

If property is too heavily encumbered or encumbrance is increased, you will realize the danger. When does the mortgage fall due, and what prospects are there for obtaining new money elsewhere, if necessary? The holders of a first mortgage might decide to bring the property to sale. Enquiry should always be made if encumbrances are increased without a proper explanation; also you should satisfy yourself that sufficient fire insurance is carried in good line companies.

If proper allowance is not made for depreciation of property, you would naturally seek a reason.

If there is an increase in realty holdings or other fixed assets at the expense of liquid assets, you would recognize a danger signal at once. A business concern cannot pay its immediate liabilities with its fixed assets. Before I leave the subject of property and premises—If a concern is in rented premises, what are the terms of the lease? You will realize that in some instances businesses are dependent upon their situation for their trade. If the rent is raised and becomes exorbitant, or the firm is forced to move, the profits might fall away to nothing.

I need hardly say that a decrease in capital or surplus would want most careful looking into.

If there are any undisclosed liabilities by way of guarantee or endorsement: our experience has been that guarantors and endorsers quite often do not apprciate their responsibility. Many of them have an idea that when they sign their names to a note or a guarantee the matter is ended. When they sign in the first place they naturally have no expectation of being called upon to pay; they, therefore, quite often do not tell their bankers anything about such matters unless direct questions are addressed to them on the subject. Incidentally, those of you who have had experience have probably learned by now that the only person more difficult to collect from than an endorser is a guarantor.

If dividends are paid which have not been earned or which tend to "milk" the quick assets: for instance, a concern showing a considerable amount on its books may be collecting the good accounts and paying dividends therewith; later on the bank has to endeavor to collect its advances from the slower accounts.

If the balance sheet is not audited by reliable outside accountants, one should make sure that everything is well. Nowadays most concerns call in reliable auditors for their own satisfaction. If, however, they prefer their own audit, you should make sure that the balance sheet can be depended upon to show the real position of the concern; we rely so much on balance sheets that we should exercise caution in studying them.

If there should be any difficulty in having doubtful matters explained: a man should know his own business and be able to answer questions with reasonable promptness. If he cannot do so, there may be something wrong.

If the risk is of a single life nature: as you know, banks are constantly training men for higher positions. If there were no one in line for the general manager's position, the directors would not be as comfortable as they should be. You should be sure that anyone who is in control of a big business has someone to succeed him. If there is no one, the situation can hardly be described as satisfactory. Sometimes it is desirable to ask that short-term life insurance shall be placed in favor of the bank or concern.

If there is a falling off in turnover or profits, you would want these matters explained. If the business is not conducted economically and at a profit, it might be necessary to give your customer a little well considered advice. The same applies if overhead is out of proportion to sales, or if the turnover is insufficient to provide full employment for all concerned. Many of us have seen businesses which would be flourishing if it were not for the fact that the owner and his sons eat up all the profits and more; in other words, the concern is not big enough to provide them all with jobs at salaries which will amply justify them.

BANK OF COMMERCE

Appointment of R. M. McCaul to the Queen and University branch, Toronto, of the Canadian Bank of Commerce, has been announced. Mr. McCaul has been branch manager at Swift Current, where he has served for the past five years. Previously he was at the branch at Dauphin, Man. Mr. McCaul was formerly in the service of the bank in Eastern Canada.

Weekly Bank Clearings

(In comparison with the same week last year.)

EASTERN CITIES	Dec. 4, 1924	Dec. 3, 1925
Halifax	$ 3,577,207	$ 3,903,649
St. John	2,640,012	2,621,117
Moncton	905,816	1,050,309
Sherbrooke	751,562	811,326
Montreal	135,813,757	215,452,848
Ottawa	7,137,064	6,818,761
Kingston	737,581	820,410
Peterboro	882,882	828,841
Toronto	124,655,797	172,533,265
Hamilton	5,613,886	6,384,284
Brantford	884,512	1,104,627
London	2,678,137	2,932,986
Kitchener	1,052,332	1,039,686
Windsor	3,089,532	3,373,147
Total, East.	$290,420,077	$419,675,256

WESTERN CITIES	Dec. 4, 1924	Dec. 3, 1925
Fort William	$ 1,334,023	$ 1,197,892
Winnipeg	81,803,440	101,542,696
Brandon	994,155	837,205
Regina	5,247,310	6,395,031
Saskatoon	2,109,125	3,024,251
Moose Jaw	1,568,149	1,841,904
Lethbridge	796,722	741,273
Calgary	9,829,337	10,861,397
Edmonton	5,349,488	5,892,496
Medicine Hat	364,166	379,590
New Westminster	666,492	835,354
Vancover	18,562,464	19,338,975
Victoria	1,869,378	2,023,235
Total, West.	$131,493,244	$154,911,299

Bank Manager Heads Chatham Board of Trade

The part that a bank manager can play in the affairs of the community in which he is located to the benefit of that community and the institution he represents, is indicated by the unanimous re-election to the position of president of the Chatham Board of Trade of E. W. Jarvis, manager of the Bank of Montreal. At the board's annual banquet the nomination of Mr. Jarvis for re-election was accompanied by a high tribute to his ability and service rendered; Mr. Jarvis was referred to as being the best man in the community to carry on the work of the board on the strength of his accomplishments during the year.

Staff Gossip

Mr. Cox, of the Bank of Commerce, has been transferred to the bank at Brownlee, Sask.—Canadian, Melville.

* * *

Edwin Dance, who has been employed with the Bank of Toronto, in Toronto, has been moved to Vancouver.—Economist, Shelburne.

* * *

Owing to the illness of Mr. Scott, manager of the Canadian Bank of Commerce at Moorefield, J. P. Van de Water is relieving there.—Standard, Listowel.

* * *

Mr. Hetherington, formerly of the staff of the Bank of Toronto, here, has been transferred to the La Fleche branch of that bank.—Times, Assiniboia.

* * *

Vincent Giles has been transferred from the Ashcroft branch of the Bank of Montreal, and is to report at the Kaslo branch on January 4.—Citizen, Prince George.

* * *

A. V. Lundy, teller of the Imperial Bank here, has been transferred to the Brantford branch, and G. Coulter of the Brantford branch is taking Mr. Lundy's place here.—Banner, Aurora.

* * *

J. H. Edgell, who has been teller at the Duncan branch of the Canadian Bank of Commerce, has left to take up a position in the Vancouver office. A. S. Appleby has been promoted from the ledgers to the teller's cage. D. E. Laws arrived from Kamloops, to look after the ledgers.—Leader, Duncan.

* * *

Reginald W. Rosevear, of the staff of the Fort William branch of the Bank of Commerce, has been transferred to the Winnipeg branch and will leave shortly to assume his new duties in the bank's audit department.—News-Chronicle, Port Arthur.

* * *

Geo. Marlin, of the Bank of Nova Scotia staff, has severed his connection with the bank to accept a position with his brother William in the silk mill at Cornwall, and D. A. Henesey, of Consicon, Ont., comes to the bank here to take Mr. Marlin's place.—Herald, Carleton Place.

* * *

Fred Gunnell, who has for some months been ledger-keeper on the staff of the Bank of Commerce here, has been transferred to Moorefield, near Palmerston, at which branch he will be teller. His successor in the bank is Mr. Green, transferred from Teeswater. — Herald, Dundalk.

F. A. Black, manager of the Fergus branch of the Imperial Bank, is spending a few weeks at Battle Creek, Mich. Owing to ill health, Mr. Black has been granted a six months' leave of absence.—News-Record, Fergus.

* * *

Last month a request came from head office of the Royal Bank at Montreal for Markus L. Roenigk to go to Vancouver, B. C., and take over a very responsible position in one of their branches in that city.

Since "Mark" entered the bank as a school lad in February, 1909, he has had a steady series of promotions. First he was moved to Oshawa where he remained as teller for a year, then he was transferred to Toronto where he had a splendid opportunity to become familiar with the workings of various departments until 1920. At this time he was sent to New York to study foreign exchange. Returning to Toronto he was placed in charge of the foreign exchange department. Previous to this he had relieved managers at several branches in the city. For nearly two years now he has been accountant of the largest branch of Royal Bank in Toronto.—Canadian Statesman, Bowmanville.

* * *

W. J. Jardine, who has been manager of the Moncton branch of the Bank of Nova Scotia for some years, has been transferred to Sussex, another of the bank's important branches, and will be succeeded here by William Cook, who has been manager of the branch in West Saint John for several years.—Transcript, Moncton.

ROYAL BANK

The Royal Bank of Canada is opening a branch at Rouyn City, Que. Business in this new mining town has increased to the point where it is becoming quite important, and the broadening of mining activities in the surrounding district makes it apparent that further growth will take place. Banque Nationale already has a branch there. This additional bank representation indicates the growing recognition of the importance of the mining industry in the newer areas.

This Christmas, give him a box of Tucketts Preferred Panetelas

Tucketts Preferred Panetela cigar

PRICES

In Fibre Board 10s	$1.25
In Boite Nature 10s	1.40
Boxes of 25	3.00
Boxes of 50	6.00

Attractively Christmas wrapped and banded.

2 for 25¢

C13

NEW ISSUE

$1,000,000

Moirs, Limited

6½% First Mortgage Sinking Fund Gold Bonds

To be dated January 1, 1926, maturing January 1, 1946. Principal and semi-annual interest payable at the Bank of Montreal, Montreal, Toronto, Winnipeg, Vancouver, Halifax, St. John, N.B., or St. John's, Nfld. Coupon Bonds, denominations $1,000, $500 and $100, with privilege of registration as to principal. Redeemable as a whole or in part, at the option of the Company, on any interest date in any year, on sixty days' notice, at 105 and accrued interest to and including 1931, thereafter at 104 to and including 1936, thereafter at 103 to and including 1941, thereafter at 102 to and including 1944, and thereafter at par to maturity. Trustee: The Eastern Trust Company.

CAPITALIZATION

(On completion of present financing)

	To be Authorized	To be Issued
6½% First Mortgage Sinking Fund Gold Bonds (this issue)	$2,000,000	$1,000,000
Common Shares	2,000,000	1,500,000

Descriptive circular, copies of which will be forwarded upon request. contains a letter from Mr. C. V. Monaghan, Secretary of Moirs, Limited, from which he summarizes:—

Moirs, Limited, will be incorporated under the laws of the Province of Nova Scotia to acquire as a going concern as at January 1, 1926, in consideration of the securities to be issued as above stated, the business of Moirs, Limited—incorporated in 1903 as a continuation of the business founded by the late W. C. Moir, in the City of Halifax, in 1842—one of the largest, oldest and best known Canadian producers of high grade chocolates and confectionery. It also does an extensive bread and cake business, in addition to the manufacture and sale of biscuits of all kinds.

Chocolate and confectionery plants, located in Halifax, have an aggregate floor space of approximately seven acres, and are equipped with excellent machinery capable of producing approximately 30,500 pounds per day of chocolate and confectionery products. Through its bakery, the present Company controls the largest individual bread business in the City of Halifax, producing approximately 9,000 loaves of bread, 2,500 lbs. of cake and 4,000 lbs. of biscuits daily. Other properties include a modern paper box factory, with a daily capacity of 35,000 boxes; a wooden box mill of modern concrete construction; a chocolate grinding plant, and a generating station within a few miles of Halifax, with a present capacity of 250 h.p., providing a large proportion of the power required for operation of the box and chocolate mills. The Company has a staff of about 1,100.

Growth of the business is indicated by the following figures showing gross sales of products:—

Year	1904	1914	1924
Gross Sales	$347,964	$1,073,895	$2,752,421

Bonds will be secured by specific first mortgage and charge on all the fixed assets which the new Company will own or hereafter acquire and by floating charge on all other assets.

The Trust Deed will provide for an annual cumulative Sinking Fund of 2% of total bonds issued, plus interest on bonds previously redeemed, commencing January 1, 1929.

Depreciated value of fixed assets to be acquired (exclusive of real estate having an assessed value exceeding $118,000, and 11,000 acres leasehold and freehold timber limits), as appraised at December 31, 1924, by National Appraisal Company, was $1,779,003.96.

Net current assets, on giving effect to the present financing, according to the certificate of George A. Touche & Co., Chartered Accountants, amounted to $762,114.81 as at September 30, 1925. Based upon the above appraisal (with subsequent additions), plants, properties and equipment, including real estate and timber lands, at book value, together with net current assets as above, have a combined value of $2,764,857.04, as against $1,000,000 of 6½% First Mortgage Bonds now being issued—equivalent to over $2,700 per $1,000 Bond.

Based on annual earnings for the four years and nine months ended September 30, 1925, after deduction of operating expenses, maintenance charges and local taxes, as certified by George A. Touche & Co., average earnings available for bond interest and depreciation were at the annual rate of $244,392—equivalent to over three and three-quarters times the annual interest of $65,000 on the First Mortgage Bonds now being issued.

It is conservatively estimated that profits for the year ending December 31, 1925, will be in excess of those of the previous year.

Moirs, Limited, is a national advertiser. Its products are marketed throughout Canada, and a substantial export business is done to Newfoundland, the West Indies and South America, and to Great Britain.

We offer these Bonds for delivery if, as and when issued and received by us and subject to approval by our Counsel of all proceedings at—

99 and accrued interest, to yield about 6.60%

Royal Securities Corporation
Limited

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

DOMESTIC TRADE THE BIG FACTOR, ARGUES EXPERT

British Loan Embargo May Have Disappointing Results

LONDON.—A. W. Kiddy, the financial expert, writing in the Spectator on the removal of the embargo on foreign loans and its effect on British trade, says that while it is a sign in itself of increased financial strength and while a development of great importance, there is a tendency to anticipate results a little too eagerly. In practise the attractive picture of foreign nations borrowing money here and then immediately using the proceeds to give orders to our manufacturers requires considerable modification. In fact it is not likely to occasion an immediate big trade revival. "More important than that," he says, "domestic trade is the essential factor."

Trade the Essential Factor

"It is, indeed, here that we get right home to our own particular problems and if ever there was a need for facing plain hard facts in the economic situation, it is just now when we have removed the embargo on foreign loans. Expressed in a few disjointed sentences, the position might be summarized somewhat as follows: It is clear that certain loans are going to be granted both to our Dominions and to foreign countries. It is fairly clear that those loans should stimulate trade activities at more than one commercial centre. Are we, however, industrially in a position to take advantage of potential orders connected with the loan operations? It is clear that we incur a certain amount of risk of the exchange movements and the demands upon our gold by making the advances, and it is also clear that without a revival in our export trade we cannot secure the necessary surplus even to pay for our imports, let alone to feed our reserves of wealth for financing extension in industry and for making further loans to foreign countries. We cannot, in short, live on finance; we must have trade and we must have increased exports if our economic situation is to be securely based.

An Evil Spirit

"If, therefore, from whatever cause it may be, we are unable to meet foreign competition in the matter of our trade, then the why and the wherefore must be courageously faced. Employers and employed alike will do well to reconsider the problem of industry, not from the standpoint of 'What can I—employer or employed—get out of the business as it stands?' but from the standpoint of 'What can the business be made to yield?' How much this country has lost since the post-Armistic period by the 'profiteering' spirit (not the legitimate aiming for profit) which characterized the closing years of the War, it would be impossible to estimate, but if ever there was a time when we need that spirit to be exorcised from all trade unions and from capitalists themselves it is to-day.

Disciplinary Fare

"Therefore, in considering the general financial outlook, it is impossible not to realize how much must depend upon the manner in which great countries such as Great Britain and France are able to deal courageously and efficiently with the internal problems with which they are confronted. It is satisfactory to note that, as regards external matters, much seems to have been secured by the Locarno Pact, while everyone will trust that the exchange of fraternal greetings between our Foreign Secretary and the German Ambassador at the recent banquet at the Guildhall is emblematic of a steady growth in international good feeling throughout the world. Even those favorable developments, however, cannot solve our internal difficulties for us and, just as the currency crisis in France will never be satisfactorily solved without readiness for self-sacrifice on the part of all sections of the community, so in this country we shall never get back to industrial strength and prosperity until there is co-operation instead of antagonism between capital and labor.

"It is easy, however, to talk in a general sense of 'improved relations' and while the suggestion may not, perhaps, carry the matter much further, I think it might be well as a prelude to the restoration of better relations that both capital and labor should recognize certain forces greater than either of them, to yield to which might restore a certain amount of much needed discipline. In the first place, it might be well if it were more clearly recognized that the only possible motto in all industrial activities, whether on the part of capital or of labor, is that of 'service'—service to the community and service to the state. In the second place, it would be particularly well if both sides were to acknowledge the supreme power of economic laws, for I venture to think that it is the defiance, sometimes common and sometimes independent, of these two great considerations, by employers and employed, which must largely be held responsible for the present economic chaos. As in the case of all natural laws, there is in the keeping of them great reward, but they can never be defied with impunity."

Florida Boom Bringing Trade to British Columbia

VANCOUVER.—The building boom in Florida is having a beneficial effect on British Columbia's lumber exports. SS. Knoxville City is due shortly to load some lumber for Florida. The Southern Alberta Lumber Company has sent several large parcels recently. H. D. Davis Lumber Company, of Portland, Oregon, which was recently reported to have closed MS. Betty Maersk for a full cargo to Florida from British Columbia, has added another. MS. Sally Maersk is now reported chartered to the company, British Columbia loading, January, to Florida.

SS. Dungeness left Norfolk on December 1 for Vancouver to load lumber for Florida for Nettleton Lumber Company, Seattle. Dingwall Cotts and Company is agent.

International Harvester to Acquire Beaver Cove

MONTREAL.—It is understood that the International Harvester Company has made an offer to purchase sixty per cent. of the stock of the Beaver Cove Lumber and Pulp Company, whose holdings are located 150 miles north of Vancouver. The shareholders meet on December 15 to consider this offer.

It is reported that the conclusion of this deal will mean the payment of the claims of the creditors of the latter concern, amounting to about $2,000,000 and the erection of a $12,000,000 paper mill and $4,000,000 saw mill. At the present time the Beaver Cove Lumber and Pulp Company turns out 40 tons of sulphate pulp daily.

PRIVATE BANKS PASS; ROYAL ABSORBS ONE

Hitchcock and McCulloch Latest Small Institution to Disappear From Financial Scene

Another of Canada's private banks has passed out of existence in the absorption by the Royal Bank of the private banking institution of Hitchcock and McCulloch, Moose Jaw.

There remain in Canada now less than a dozen such institutions, the actual number being 10, of which one is in Nova Scotia, two in Quebec, two in Ontario and five in Saskatchewan.

With the passing of these banks there also passes out of existence a little more of the sentiment connected with the settling of the West. In the earlier days banking facilities in the West were few and far between. The banks already established in Eastern Canada had not reached the stage where they could consider expansion and perhaps, too, their leaders lacked faith in what the future held for the West.

The absorption leads the Manitoba Free Press to remark:

"The chartered banks, however ably they are governed, can never fill the place of the smaller institutions. The private banker knew his clientele personally, knew all about them, their hopes, aspirations and failings. He was in a position to make loans safely that no large institution, governed by rule, could possibly accept.

"In the case of the banking firm of Hitchcock and McCulloch, for eight years it was the only bank between Regina and Calgary. It was established 35 years ago and has safely weathered the ups and downs of the intervening years. It served merchants and farmers alike and old-timers of the Moose Jaw district still say Arthur Hitchcock, president of the bank, never turned a deaf ear to the farmer in need of financial aid. The Union Bank of Canada opened an office in Moose Jaw about 1898 and the firm of Hitchcock and McCulloch became closely associated with this institution, this no doubt leading up to their being taken over by the Royal Bank, the latter having absorbed the Union Bank a few months ago.

"Arthur Hitchcock, president of the bank from its inception, was born in Leicestershire, England, coming to Canada with his parents at the age of four. He received a training in banking in New York city and reached Moose Jaw as a very young man. He now intends to devote himself to the management of his own extensive business affairs, although for some months he will be associated with the Royal Bank until the consolidation of the two businesses has become complete."

Canadian Bank of Commerce Takes Over Portland Business

Sale of the Pacific Bank of Commerce of Portland to the Canadian Bank of Commerce, a local branch of the Canadian Bank of Commerce of Toronto, was announced in Portland, Oregon, by E. L. Thompson, president of the Pacific bank.

The Pacific Bank formerly was known as the Hartman and Thompson bank.

The Pacific Bank of Portland had total assets of about $500,000. The Canadian Bank of Commerce is well established in the American Pacific coast, having important branches at Seattle, Portland and San Francisco.

Exchange

The only feature of the exchange market this week is a further recession on the part of the French franc, which has touched a new low of 3.73¼ cents. This seems to have been precipitated by the general feeling that the new administration will have serious difficulties in enforcing its new policy of increased taxation.

New York funds are at a slight premium in relation to the Canadian dollar.

NEW YORK FUNDS

	High	Low	Last year High	Last year Low
Dec. 3	1-64	1-32	x1-16	x1-32
Dec. 4	1-64	1-32	x1-16	x1-32
Dec. 5	1-32	1-32	x1-16	x1-16
Dec. 7	1-32	1-32	x1-8	x1-16
Dec. 8	x1-64	1-64	x7-32	x3-32
Dec. 9	x1-32	x1-64	x7-16	x1-4

xPremium.

Sterling, Francs and Lire

	Sterling Demand	Francs Demand	Lire Demand
Dec. 3	4.84½	3.78¾	4.03
Dec. 4	4.84⅞	3.88¼	4.03¾
Dec. 5	4.85 1/16	3.84½	4.03¾
Dec. 7	4.84¾	3.83	4.04
Dec. 8	4.84¾	3.76	4.03
Dec. 9	4.84½	3.77¾	4.02¾

Dominion Power and Transmission Co., Limited

Notice is hereby given that Dividend No. 57 at the rate of seven per cent. (7%) per annum on the Cumulative Preference Stock of this Company has been declared for the three months ending December 31st, 1925, and that the same is payable on January 15th, 1926, to shareholders of record on the 31st day of December, 1925.

The Transfer Books for the Preference Stock of the Company will be closed from the 24th day of December, 1925, to the 31st day of December, 1925, both days inclusive.

By order of the Board of Directors.

GEORGE D. FEARMAN,
Secretary.

Hamilton, Ont., 9th December, 1925.

The Mining Corporation of Canada, Limited

DIVIDEND No. 21

The Directors of this Company have declared an Interim Dividend of 12½ cents per share, payable on January 30th, to shareholders of record on January 15th, 1926. The transfer books of the Company will be closed from the close of business on January 15th until the close of business on January 29th.

Dated at Toronto this 9th day of December, 1925, by Order of the Board.

G. C. AMES,
Secretary.

Tender for Debentures

Sealed tenders will be received by the undersigned at the City Hall, Brantford, up to 12 o'clock noon, on Wednesday, December 16th, 1925, for the purchase of:

$137,800.00

Debentures of the City of Brantford, maturing $5,300 annually, December 15, 1928, to December 15, 1953. $5,300 each year with interest at 5% semi-annually, June and December 15. The issue is for the purpose of paying Brantford's share of Provincial Highways. Further particulars will be furnished by the Treasurer, on application.

ARTHUR K. BUNNELL,
Treasurer,
City of Brantford.

The International Nickel Co.

A quarterly distribution of $.50 on the Common Stock has been declared this day, payable December 31, 1925, to Common stockholders of record at the close of business December 17, 1925.

JAMES L. ASHLEY,
Secretary and Treasurer.

New York, December 7, 1925.

Laurentide Company Limited

DIVIDEND NOTICE

A dividend of one and one-half per cent. (1½%) has been declared upon the Capital Stock of this Company, for the quarter ending December thirty-first, 1925, payable Saturday, January second, 1926, to Shareholders of record at the close of business December seventeenth, 1925.

By order of the Board of Directors.

W. F. ROBINSON,
Secretary.

Montreal, December 10th, 1925.

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1925.

Notice is also hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1925.

The above dividends are payable on Saturday, the 2nd day of January, 1926, to shareholders of record at the close of business Tuesday, the 15th day of December, 1925.

By Order of the Board.

MERVYN OFFER,
Comptroller and Secretary.

Montreal, 19th November, 1925.

INTERNATIONAL PAPER COMPANY

New York, November 25th, 1925.

The Board of Directors have declared a regular quarterly dividend of one and three-quarters per cent. (1¾%) on the Cumulative 7% Preferred Stock of this Company, and a regular quarterly dividend of one and one-half per cent. (1½%) on the Cumulative 6% Preferred Stock of this Company, for the current quarter, payable January 15th, 1926, to holders of record at the close of business January 2nd, 1926. Checks will be mailed. Transfer books will not close.

OWEN SHEPHERD,
Treasurer.

The Bank of Toronto

ANNUAL MEETING

The Annual General Meeting of shareholders of this Bank will be held at the banking house of the institution, corner of King and Bay Streets, Toronto, on Wednesday, the thirteenth day of January next, the Chair to be taken at noon.

JOHN R. LAMB,
General Manager.

Toronto, November 30, 1925.

SOUTHERN CANADA POWER COMPANY LIMITED.

Dividend No. 24

A DIVIDEND of One and one-half per cent (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY LIMITED has been declared for the quarter ending December 31st, 1925, payable January 15th, 1926, to shareholders of record December 24th, 1925.

By order of the Board,

L. C. HASKELL,
Secretary-Treasurer.

Montreal, November, 27th, 1925.

The Toronto General Trusts Corporation

Dividend No. 118

Notice is hereby given that a dividend of three per cent. (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending December 31st, 1925, being at the rate of

Twelve Per Cent. Per Annum

and that the same will be payable on and after Saturday, the Second Day of January, 1926. The transfer books of the Corporation will be closed from Thursday, the 17th day of December, until Thursday, the 31st day of December, both days inclusive.

By order of the Board of Directors.

W. G. WATSON,
General Manager.

Toronto, December 1st, 1925.

Belgo Canadian Paper Co., Limited

DIVIDEND NOTICE

Notice is hereby given that the following dividends have been declared for the quarter ending 31st December, 1925:

Dividend No. 10 on the Preferred Stock: One and three-quarters per cent. (1¾%) payable on the 2nd day of January, 1926 to shareholders of record of the 12th day of December, 1925.

Dividend No. 5 on the Common Stock: One and a half per cent. (1½%) payable on the 11th day of January, 1926, to shareholders of record of the 31st day of December, 1925.

By order of the Board,

A. DEHAUFFE,
Secretary-Treasurer.

Montreal, November 30, 1925.

Mutual Finance Corporation, Limited

Preferred Dividend No. 19

Notice is hereby given that a Dividend at the rate of eight per cent. per annum upon the paid-up Preferred stock of the Company has been declared for the six months ending December 31st, 1925, payable on January 15th, 1926, to shareholders of record December 20th, 1925.

Common Dividend No. 5

Notice is hereby given that a Dividend of five per cent., upon the paid-up Common Stock of the Company has been declared for the year ending December 31st, 1925, payable on January 15th, 1926, to shareholders of record December 20th, 1925.

Transfer Books Closed

The Stock Transfer Books of the Company will be closed December 20th to December 31st, 1925, inclusive.

C. W. McDIARMID,
General Manager.

Windsor, Dec. 5th, 1925.

DIVIDEND NUMBER 144

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 1.6% on the outstanding capital stock of the Company has been declared payable on the 31st day of December, 1925, on which date cheques will be mailed to shareholders of record at the close of business on the 14th day of December, 1925.

Dated the 5th day of December, 1925.

I. McIVOR,
Assistant-Treasurer.

THE Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given that a Dividend of Two and one-half per cent., being at the rate of Ten per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, together with a bonus for the year of One per cent., both payable on 1st January, 1926, to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE,
Manager.

The Canadian Bank of Commerce

THE Annual Meeting of the Shareholders of this Bank for the election of Directors, and for other business, will be held at its banking house, Nos. 23 to 25 King Street West, Toronto, on Tuesday, the 12th day of January next. The chair will be taken at 12 o'clock noon.

By order of the Board,

JOHN AIRD,
General Manager.

Toronto,
November 27th, 1925.

Accountant

experienced, is open for engagement; thorough knowledge of financial statements, credits, collections, etc. High class credentials.

Box 900,
Financial Post,
Toronto, 2, Ont.

MANUFACTURERS FINANCE CORPORATION LIMITED

Dividend No. 7

Notice is hereby given that a dividend of four per cent. (being at the rate of 8 per cent. per annum) upon paid-up Preference shares of this Corporation has been declared for the half year ending December 31st, 1925, payable on and after the 15th day of January, 1926.

And further take notice that the transfer books of the Company will be closed from the 15th day of December to the 31st day of December, both inclusive.

By order of the Board.

W. M. McDONALD,
Secretary.

Toronto, December 7th, 1925.

Dominion Textile Company Limited

Notice of Dividend

A Dividend of One and Three-quarter per cent. (1¾%) on the Preferred Stock of Dominion Textile Company, Limited, has been declared for the quarter ending 31st December, 1925, payable January 15th, 1926, to shareholders of record 31st December, 1925.

By order of the Board.

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, November 25th, 1925.

NATIONAL GROCERS COMPANY Limited

Dividend No. 1

Notice is hereby given that a dividend at the rate of 8% per annum on the First Preference Stock of the National Grocers Company, Limited, has been declared for the period of four and half months ending December 31st next and the same will be payable on and after second day of January, 1926, to stock holders of record on December 14th, 1925.

The Transfer books will be closed from December 14th to December 31st.

By order of the Board.

A. C. PYKE,
Secretary-Treasurer.

The British Mortgage Loan Company of Ontario

Dividend No. 94

Notice is hereby given that a Dividend of Six Per Cent. for the current half year, being at the rate of twelve per cent. per annum on the paid-up capital stock of this Company has been declared, together with a bonus of two per cent. for the year ending 31st December, 1925, and that the same will be payable on Saturday, the 2nd day of January, 1926, to shareholders of record at the close of business on the 15th day of December, 1925.

By order of the Board.

W. H. GREGORY,
Manager.

Stratford, Dec. 7th, 1925.

Dominion Textile Company Limited

NOTICE OF DIVIDEND

A Dividend of One Dollar and Twenty-Five Cents ($1.25) per share on the Common Stock of DOMINION TEXTILE COMPANY, Limited, has been declared for the quarter ending December 31st, 1925, payable 2nd January, 1926, to shareholders of record December 15th, 1925.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, November 25th, 1925.

The Trinidad Electric Company, Ltd.

Notice is hereby given that a dividend of 1¼% for the quarter ending Dec. 31st, 1925, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of January, 1926.

The transfer books of the Company will be closed from the 1st to the 10th of January, 1926, both days inclusive.

By order of the Board.

F. B. OXLEY, Secretary.

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 147 St James Street, in the City of Montreal, on Thursday, the 14th day of January, 1926, at 11 o'clock, a.m.

C. E. NEILL,
General Manager.

Montreal, December 1, 1925.

The Wabasso Cotton Company, Limited

Dividend No. 32

Notice is hereby given that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending 31st December, 1925, payable on the 2nd of January, 1926, to Shareholders of record at the close of business on the 15th December, 1925.

By Order of the Board,

JAS. R. RITCHIE,
Secretary.

Montreal, November 12th, 1925.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the Quarter ending 31st December, 1925, and, in addition, a Bonus of one per cent., making a total distribution of thirteen per cent. for the current year. The Dividend and Bonus will be payable at the Head Office of the Bank and its Branches on and after Saturday, the 2nd day of January, 1926, to Shareholders of record of 19th December, 1925.

The Annual General Meeting of the Shareholders will be held at the Head Office of the Bank, in Toronto, on Wednesday, the 27th January, 1926, at twelve o'clock noon.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 20th November, 1925.

CANADA PERMANENT MORTGAGE CORPORATION

CANADA PERMANENT 70 YEARS 1855-1925

Established 1855

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

Twelve Per Cent. Per Annum

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

Saturday, the Second Day of January

next, to Shareholders of record at the close of business on the Fifteenth day of December.

By order of the Board.

WALTER F. WATKINS, Secretary.

CENTRAL CANADA LOAN AND SAVINGS COMPANY

Quarterly Dividend and Bonus

Notice is hereby given that a

Quarterly Dividend of Three per cent. (3%)

for the three months ending December 31st, 1925, has been declared upon the Capital Stock of this Institution, together with a

Special Bonus of Two per cent. (2%) for the year 1925

making a total dividend distribution of fourteen per cent. (14%) for the year. Both the dividend and bonus will be payable at the offices of the Company, Toronto, on and after Saturday, the 2nd day of January, 1926.

The Transfer Books will be closed from the 16th to the 31st of December, both days inclusive.

By order of the Board.

G. A. MORROW,
Managing Director

Why Quebec Voted Down Its Economic Best Interest in Last General Elections

C. H. Cahan, M.P., One of Few Conservative Candidates to Win a Quebec Seat, Tells Ontario Conservatives Plain Truths About Quebec's Distrust of Meighen and His Policies

By C. H. CAHAN, K.C., M.P.

Mr. Cahan's Views Are Important

One of the important political pronouncements of the between election period came this week from C. H. Cahan, K.C., M.P., a prominent Montreal corporation lawyer, who defeated the popular Hon. Herbert Marler, M.P., in one of the Montreal constituencies.

Mr. Cahan told why Quebec has been estranged from the rest of Canada by the conscription issue and the issue of Canada's policy in foreign wars. He gave, too, an outline of a broader party policy for the Conservatives.

The Financial Post publishes Mr. Cahan's remarks, not in a partisan sense, but recognizing Quebec as the key province in Canadian politics to-day. Just as a few tons of imported coal will set the price of the whole production of a big coal producing country, just as California carries more than ordinary weight in American politics, so Quebec to-day is likely to determine the character of the next Canadian government. Therefore, the frank words of a Quebec Conservative must interest all Canadians.

THE effort to achieve political unity and solidarity of effort in dealing with the fiscal and economic problems of the day has become increasingly difficult in the Province of Quebec. In that province, the sentiment of the cities and towns is largely in favor of the safe-guarding of the manufacturing industries of the country. During the general elections of 1921, I know of no man in the public eye in that province who failed to endorse at least the measure of protection which was embodied in the so-called Laurier-Fielding tariff. In the recent general elections, the assurance that domestic industries would not be seriously prejudiced was the underlying note of most of the platform utterances which came within my observation.

In the rural districts the question may not have been very closely discussed, but my personal enquiries have convinced me that the farmers of Quebec rely almost exclusively for their continued prosperity upon the demands of the local markets, which are created by the industrial establishments, and that they look with favor, many with anxiety, upon the continued preservation of those home markets.

But the recent elections in the great majority of the constituencies of Quebec did not turn upon the respective fiscal policies of the parties, nor upon issues respecting trade or taxation.

Sentiment Rules—Not Reason

The problems which we now encounter in Quebec cannot be adjusted by the persuasion of public speeches. Current opinion is favorable to certain lines of public policy which are of prime importance in all the provinces, but sentiment is stronger than opinion. "Instinct, habit, suggestion, sentiment," says Lord Morley in one of his essays, "play their part as much as reason in the development of nations."

When we examine closely the complex elements of the moral feeling and character of the people of the French-Canadian race, we shall find, I think, that their outlook upon the conditions which circumscribe the growth and development of our national life is colored somewhat differently from that of the descendants of the British races who compose the majority of the other provinces of the Dominion. They are more completely separated from France and the political ideals and aspirations of the people of France than the present inhabitants of the New England States are separated from Great Britain. That appeal of racial instinct and emotion, which many of us felt so strongly influencing us upon the outbreak of the great war—more strongly influencing us than we had imagined to be possible—was more quiescent with them.

They looked upon the imperial and international interests involved almost wholly from their point of view regarding the Canadian interests directly and immediately involved.

French Canada and the War

Upon the outbreak of the war, parliament was quite unanimous in adopting measures to send contingents of Canadian volunteers overseas to participate in the defense of England and France against German aggression. The majority of the people of Quebec then approved of the entry of Canada into the war; they willed the victorious ending of the war; and their young men prepared to enlist with ardor and enthusiasm.

From my personal knowledge of them, I doubt if more intelligent young men will be found in the rural districts of any other province. A considerable number of them came to Montreal and other districts to enlist voluntarily; but their knowledge of the English language was limited indeed or entirely deficient, and upon enlisting many of them found themselves under the control of officers, and especially of drill sergeants, who had very little knowledge, if any of the French language.

The situation was an almost impossible one, and, sooner or later, many of them were discharged and returned to their homes, as they believed, because of their deficiencies of the English language, and the recruiting of volunteers from the French families of the rural districts encountered a decided set-back.

Government Said "No Conscription"

But though parilament was unanimous in respect of our participation in the war; and though the people of Quebec were, at the outset, ardent in support of the common cause, they looked, with the greatest possible repugnance, upon the possibility of conscription. Many of the French-Canadian families gave voluntarily of their dearest and best; but none favored compulsory service, which was foreign to their traditions, to their ideas of civil and personal liberty.

During the same month of August. Sir Robert Borden was reported in the press as stating on behalf of the government that it was not the intention of the government to propose compulsory military service.

Sir Robert Borden. addressing the Canadian Club at Halifax, on December 18. 1914, said:

"My native province, in common with the whole Dominion, has nobly responded to the call of duty. Under the laws of Canada our citizens may be called out to defend our own territory, but cannot be required to go beyond the seas except for the defence of Canada itself. There has not been, there will not be, compulsion or conscription."

Chief Cause of Estrangement

I am not criticizing the views of the many leading citizens of this country, Liberals as well as Conservatives, who were convinced, in view of the very grave conditions which then existed in the battlefield of Europe, that conscription was then the only means by which the war could be won. I am endeavoring to state fairly the assurances upon which the people of Quebec were relying when, in 1917, measures for the enforcement of compulsory military service were adopted by Parliament; the enforcement of which in Quebec was, in my opinion, the chief cause of the estrangement which now exists between that province and the other provinces of Canada.

It would be difficult to contend, I think, that selection by conscription or by lot is not the fairest method by which to provide an army for the defence of the country; but there may be serious doubts, I think, as to the expediency of its adoption and enforcement under the conditions which then existed in the province of Quebec.

Feelings of animosity were excited, and, near the close of the campaign of 1917, it was almost impossible for one as a Conservative candidate to obtain a public hearing in many districts of that constituency, but in the end I obtained two or three thousand votes chiefly of French-Canadians, which were counted in my favor, and I believe that there were many others which were never counted.

It was not surprising, therefore, in the general elections of 1921—with the Liberal leaders declaring that protection would still be maintained by the Fielding-Laurier tariff, and with the strong resentment which then still prevailed against the government which had enforced conscription—that Quebec returned a solid Liberal majority.

Mr. Meighen's Speech a Thorn

The Conservatives' position as a party in Quebec was also weakened by the events of September 16th, 1922, and following days, when it was announced in the press that "Great Britain has invited Canada and the other British Dominions to be represented by contingents in the British force taking part in an effective defence of the neutral zone in the Near East," where British troops were then being rushed for the purpose of guarding Constantinople.

Mr. Mackenzie King then stated on September 18th that: "It is the view of the government that public opinion in Canada would demand authorization on the part of Parliament as a necessary preliminary to the despatch of any contingent to participate in the conflict in the Near East," and he added that the Canadian government was then making enquiries with a view to ascertaining whether the situation that exists in the Near East is one which would justify the summoning of a "special session of Parliament."

The people of Quebec, generally, regarded the attitude of the Federal Government of the day as quite proper under the circumstances. They contended simply that the matter of Canada's participation in a new war was one which the Parliament of Canada must decide, and was alone entitled to decide.

"Ready! Aye Ready!"

On the other hand, Mr. Meighen, addressing the Businessmen's Conservative Club, at Toronto, September 22nd, 1922. said:

"Britain sends a message to the Dominions, not a mere indifferent enquiry as to what was the mind of Canada, but a message to see if the Dominions were solid behind the Mother Land. Let there be no dispute as to where I stand. When Britain's message came, then Canada should have said: 'Ready, aye ready; we stand with you.' I hope the time has not gone by when that declaration can yet be made. If that declaration is made, then I will be at the back of the government.

"Can anyone divine what is to be the result of a policy by which we determine for ourselves whether or not we leave to Britain, or share with her, the defence of treaties to which the honor as well as the signature of this country is pledged? Can anyone divine where it is going to lead us, or what will be the effect of the procrastinations of this week we are passing through? By the consequences of my decision, I am prepared to stand."

How Quebec Took It

That Toronto address was interpreted in Quebec as a declaration on the part of the Conservative Party that the federal government of the day should immediately decide to undertake a new expedition overseas at the expense of the federal treasury, wtihout first convening or consulting parliament; and it made a deep and abiding impression throughout Quebec which has never been removed. Quebec, from that day, believed that if the Conservative Party under Mr. Meighen had then held office, we would have been precipitated into a new war in the Near East, that compulsory service would again have been enforced, and that civil strife would again have ensued in our province.

That address at Toronto "Ready, aye ready," created very great difficulties for Conservative candidates during the recent general elections. It was kept constantly before the minds of the electors, and the old resentments were, in fact so strongly revived that It was impossible for Conservative candidates to stem the tide in the French-Canadian constituencies. Mr. Patenaude, whose campaign was conducted in the most honorable manner, was daily represented to the electors as Mr. Meighen's "alter ego," and as the representative of a party that was ever ready to participate in foreign wars without the approval and authority of the Canadian Parliament.

Not that Mr. Meighen had ever by act or speech injured or sought to injure the "amour propre" of Quebec, but that he represented in the minds of the electors an ever-readiness to participate in foreign wars, the policy of conscription, the adoption of compulsory enlistment, the use of force in this country to attain political ends, with the infringement and curtailment of the civil liberties which the French-Canadian people had hitherto enjoyed.

Not Binding on Conservatives

Experience has shown that efforts to adjust, without due consultation and consideration, serious questions of public policy frequently serve to invite future dissensions. It may be that the personal policy which Mr. Meighen recently announced at Hamilton and more recently at Bagot may temporarily turn the tide of local sentiment; but, speaking also personally, with a quite intimate knowledge of the views and sentiments which generally prevail in the province of Quebec, I do not believe that the Hamilton pronouncement will be regarded either in Quebec or in the other provinces of Canada as binding upon the conscience and judgment of the Conservative Party as a whole, nor as controlling the discretion of parliament, whenever grave international complications may arise in the future. Nor do I believe that such a pronouncement, made by a political leader, however able and esteemed he may be, will serve to remove permanently the estrangement which at present exists between Quebec and the majority of the provinces outside of Quebec.

Is it not clear that the time has arrived when those Conservatives of Quebec, who know intimately the sentiment, mentality and sensitive feelings of the French-Canadian race, should be given an opportunity to be heard, an opportunity to express their views with frankness and sincerity in the councils of the Conservative Party, with a view to the careful consideration by the leading and representative Conservatives of all the provinces of the formulas of a political understanding which would assuage existing resentments, and enable the true and tried Conservatives of all the provinces to unite upon a common platform, and to devote, for the term of one parliament at least, all their combined intelligence and insight, and their combined energies to the solution of the fiscal, tariff, financial, economic and railway problems, of the present day, the most serious in their nature, importance and extent, I believe, that ever confronted the Canadian people?

Everything is possible of accomplishment by those who, though they may differ on certain political, racial or religious issues, are yet prepared, in the spirit of forbearance, patience, and goodwill, to unite for the solution of vital problems and for overcoming domestic difficulties which threaten the stability of the financial and economic foundations upon which our Canadian nationality now rests.

The Conservative party must I think, be organized on so broad a basis that men of common views and common aims may now freely enter for the promotion of their common ends, reserving, at the same time, the exercise of their individual discretion, their individual right of judgment, the pursuit of their conscientious opinions, with respect to ultimate and prospective or possible issues, which do not now affect the progress, prosperity and happiness of the people of our country.

We are all agreed that one of the chief aims and ends of the Conservative party is to maintain our political, fiscal and commercial independence of the United States of America. We, of the Conservative party, have always agreed that the limitations of our future progress and prosperity shall not be dictated from or prescribed by Washington. We are all agreed that we must continue to conserve and safeguard the industrial life of this country. We are all agreed that there must be a reform and re-adjustment in our methods of taxation; and that the finances of Canada must be placed on a more stable basis. We are all agreed that, in order to retain our population and persuade the better classes of suitable immigrants to take up their abodes and make their permanent homes in Canada, the conditions of life here and the remunerative employment available here, must be made quite as inviting and as satisfactory as those conditions which prevail across our southern border. We are all agreed that the difficulties and discouragements which beset the Maritime Provinces and those of which the Western Provinces complain, must be settled and adjusted by devising conciliatory but efficient measures to achieve those worthy ends.

Railway Problem Is Difficult

We are all agreed that the whole railway problem must be considered, and some ways and means ascertained for reducing or obviating the annual increase, to the extent of approximately one hundred millions per year, of the obligations of the country which have been incurred during the past seven years on account of the National Railways, the total of the aggregate of which during that period nearly equals one-half the permanent debt of the country which was incurred during the four years of war and two years of demobilization.

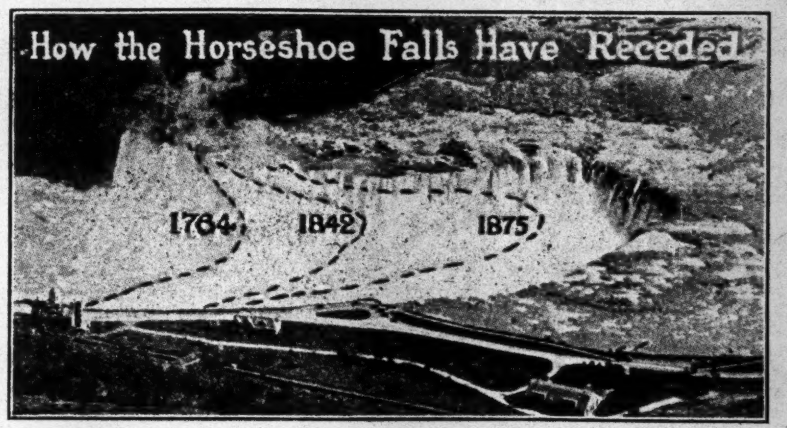
Personally, I am confident that a clear understanding could be reached by which these vital interests could be dealt with effectively by the Conservative party, which has now the largest representation in the House of Commons; but that end and object can only be attained by maintaining the unity and solidarity of the Conservative party throughout all Canada; and, more that that, the unity of the Conservative party in Canada can only be maintained if and so long as the leader or leaders of the Conservative party shall avoid all mere temporary expedients and all offhand captious decisions, and shall call to their councils for the due consideration of these questions the representatives of all sections of this wide Dominion.

There are special problems which affect the provinces lying east of the Ottawa River, in respect of which residents of those provinces have intimate knowledge, and with regard to these provinces I believe that the party unity, which is so very necessary, would be more efficiently maintained if during the past four years and during the years to come the leaders of the Conservative party had called and will now call to its councils members of the party in those provinces who are more intimately acquainted with local conditions and local sentiments. All I say is that, in my opinion, representative men of the Conservative party have a right to be heard in respect of proposed changes of policy which intimately concern those sections of the Dominion.

Therefore, I urge that we, as members of the Conservative party of Canada, should take all reasonable measures to maintain the unity and solidarity of the Conservative party throughout Canada, and to conserve its political strength, realizing full well that the underlying principles and traditions of that party are sufficiently broad to bring within its fold all Canadian citizens of different races and languages, whose aim is the solution of the fiscal and economic problems which now confront us, and thereby to ensure the development of a united Canadian nation, independent of the United States of America, and the preservation, during this and succeeding generations, of the ties which bind us to the British Crown.

For myself, I am fully convinced that if and when we shall heal the grievous wounds created by the war, which still rankle in the minds and hearts of many of our people, we will obtain such splendid support in the constituencies and in parliament as will enable the Conservative party to carry into effect fiscal, economic and financial measures which will ensure the progress and prosperity of this country for the next quarter of a century.

"The Suicide of Niagara Falls"



Those who argue for the development of more power at Niagara Falls declare that more water must be taken from the falls and more power developed if the scenic beauties of the falls are to be preserved. To support their plea they point to the continuous process of erosion that is wearing away the Canadian or Horseshoe Falls.

The chart above, drawn upon an aeroplane photograph of the Horseshoe Falls, indicates graphically this wearing away habit of the falls. The crest of the falls at successive dates, as shown by surveys made at those periods, is indicated and it will be observed that the crest is constantly moving backwards. The falls have receded an average of five feet a year for a century and a half and in the past two years have gone back twenty-five feet. This compares with two inches a year that is the amount of erosion at the American Falls, which are a bridal veil of spray and water as compared to the Canadian torrent of thundering water and tossing foam.

Diversion of enough water to produce over 2,500,000 h.p. of electrical energy for New York State and the Province of Ontario would improve rather than spoil the appearance of the falls, it is claimed by engineers.

SUGAR BEETS PAY WELL

EDMONTON.—At least one farmer in the irrigated districts is glad he went into sugar beet raising. This is Wm. Valgardson, near Taber, who secured $354 return from three and one-half acres of land. The sugar factory at Raymond is having a splendid run, and the new sugar is in keen demand in the province.

New Issue

$10,000,000

Cities Service Power & Light Company

7% Cumulative Preferred Stock

(PAR VALUE $100)

Preferred as to assets and dividends

Preferred stock authorized $50,000,000, issuable in one or more series. To be presently issued and outstanding $10,000,000 of 7% Cumulative Preferred Stock preferred over the common stock as to assets and as to cumulative dividends at the rate of 7% per annum, and redeemable, as a whole or in part, on any dividend date upon 30 days' notice at $110 per share and accrued dividends. It will be the company's policy to pay dividends on the preferred stock on the fifteenth of each month to stockholders of record on the first of the month.

Dividends free from present Federal Normal Income Tax

The Company agrees to make application in due course to list this issue on the New York and Boston Stock Exchanges

Business and Territory

Cities Service Power & Light Company, incorporated under the laws of Delaware, has acquired the entire holdings of common stock of electric power and light companies and substantially all the holdings of common stock of gas distributing and street railway companies formerly owned by Cities Service Company. The following comprise the company's six major operating groups:

The Ohio Public Service Company
Toledo Traction, Light and Power Company (The Toledo Edison Company, subsidiary)
Public Service Company of Colorado,
Kansas City (Mo.) Gas Company
Wyandotte County Gas Company (Kansas City, Kansas)
The Empire District Electric Company (southwestern Missouri)
St. Joseph (Mo.) Railway, Light, Heat & Power Company

The operating subsidiaries of the Company comprise a diversified group of public utility operations in sixteen states, serving, directly or indirectly, a population estimated to be in excess of 2,800,000 in over 350 communities. Among the larger cities served are Toledo, Sandusky, Warren, Massillon, Elyria, Lorain, Alliance, and Mansfield, Ohio; Denver, Boulder, Pueblo and Fort Collins, Colorado; Kansas City, Joplin, Sedalia and St. Joseph, Mo.; Kansas City and Topeka, Kansas.

Earnings

Consolidated earnings of the Company and its subsidiaries for the 12 months ended June 30, 1925 (as certified to by Peat, Marwick, Mitchell & Co.), including earnings for the full period of all subsidiaries now owned, were as follows:

Gross earnings (and other income)	$47,291,948
Operating expenses, maintenance and taxes	28,688,879
Net Income	$18,603,069
Interest charges* and preferred dividends of subsidiaries, minority interests, depreciation (as assumed at rates provided in bond indenture of the Company), and Federal Taxes	13,950,468
Balance	$4,652,601

*Including interest for the full period on the Company's 6% Series A bonds and 6% two-year note at the annual rate due on the principal amounts outstanding at the end of the period.

The above balance is more than 6⅔ times the annual dividend requirement of $700,000 on the total amount of this issue preferred stock presently to be outstanding.

Capitalization

The outstanding funded debt of Cities Service Power & Light Company as of June 30, 1925, consisted of $24,750,000 20-year 6% Secured Sinking Fund Gold Bonds, Series A, due 1944, and a 6% Two-Year Unsecured Note, due 1927, of $1,000,000. Bonds of other series ranking equally with the Series A bonds may be issued under the restrictions of the indenture under which the Series A Bonds are outstanding. This 7% Cumulative Preferred Stock is followed by a total authorized issue of of 650,000 shares of common stock of $100 par value, all of which is outstanding and over 90% of which is owned by Cities Service Company

We offer this stock for delivery when, as and if issued, and subject to approval of counsel

Price 98¾ flat, to yield over 7%

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The information and figures used in this advertisement are taken from sources which we consider trustworthy, and, while not guaranteed, have been accepted by us as accurate

News of the Mines: *A Department for Executives and Investors*

Conducted by DANIEL E. CUSHING, Mining Editor, The Financial Post.

Purchase and Development of Flin-Flon Means Outlay of Close to $25,000,000

Deal is Largest Ever Made For Mining Property in Canada — Will Mean Large Town on Manitoba-Saskatchewan Boundary.

Purchase price	$ 4,500,000
Smelter and mill	15,000,000
Power development	4,500,000
	$24,000,000

The above figures are involved in the Flin Flon mine purchase and development. No mining deal previously made in Canada has called for at the commencement such an outlay as the sale of the Flin Flon gold, silver, copper and zinc property in Northern Manitoba recently made to Messrs. H. P. Whitney and associates, of New York. It involves the payment of $4,500,000 and a 15 per cent. interest in the property divided as follows: Mining Corporation of Canada, $3,000,000 and a 10 per cent. interest; David Fasken interests, $1,500,000 and 5 per cent. interest, and while the above is an option, the details are so well set out that their remains nothing except going ahead on the part of the Whitney interests.

It is said to be known beyond doubt that the ore can be treated by at least two present selective flotation processes, and the one to be most likely used is the electrolytic process devised for the Sullivan ores of the Consolidated Smelters in British Columbia. The one metal that engaged the attention of the metallurgists was the zinc content, as the ore contains approximately 5 per cent. zinc, $1.80 gold, 1 oz. silver acid, 2 per cent. copper, or $14.

Expenditures Necessary

The Whitney interests are one of the few large mining interests that could handle a property like Flin Flon owing to the large capital expenditures necessary. To bring the mine to the producing stage with 4,000 tons daily will involve an expenditure of at least $15,000,000, as it will be necessary not only to have a large smelter but also a large mill.

The water power will involve at least an additional expenditure of $4,000,000 to $5,000,000. However, it is estimated that power can be delivered at $18 per h.p. to Flin Flon, and will be developed on Churchill River, 70 miles northwest of the property at Island Falls, which will give at least 100,000 h.p, at low water or 150,000 h.p. maximum.

The opening up of this mine also makes necessary the development of a limestone quarry for fluxing, also the operation will require at least 6,000,000 tons of silica, for the present known tonnage in sight. This will afford the small mine operators in the district an opportunity to ship quartz to the smelter on a preferential basis and will make it possible for many small properties to work that would otherwise be idle.

It will also take for a 4,000 ton smelter about 400 tons of coke per day. All of this means haulage charges for the railroads.

Known Ore Reserves

The ore body at present consists of 16,800,000 tons of proven ore. This is the result, however, of the first work done up to 1918, and since then drilling has been done to deeper depths, so that some engineers say the original estimates can be doubled. Two shafts were put down in 1920 by the W. B. Thompson and Mining Corporation interests to a depth of 300 feet, and some drifting and crosscutting done, sufficient to check the diamond drilling thoroughly, and prove a little better ore content also.

During the past summer the mine was sampled by the Whitney and Consolidated Smelters interests, and rumor has it that they are working in conjunction with each other, as it is hardly probable that the Whitney interests would proceed without the railroad situation being absolutely settled. The C. P. R. have constructed a line 131 miles from Shebo, Sask., to Nipiwan on the Saskatchewan River and have 131 miles to build to the mine. The surveys were made during the past spring and summer.

Between Two Provinces

Engineers say that the economic importance of this development does not seem to be realized by either of the provinces, as neither Manitoba or Saskatchewan has made any efforts to secure the railroad. However, the province to benefit will be the one from which the railroad enters, as in the case of the C. P. R. building, Saskatchewan with the city of Saskatoon would be most benefited, while on the other hand, should the Canadian National build in from Mile Seven, on the Hudson Bay line just north of The Pas, Manitoba with Winnipeg would be the big winner. Flin Flon property is cut in two by the boundary line between the two provinces. It is said that the opening of the property will mean a town of at least 10,000 people in three years.

Butte Montana has produced nearly $200,000,000 since 1860, and it is estimated that there is at least 300,000,000 in the Flin Flon ore to-day and in the close vicinity.

The district has, besides the Flin Flon, the Mandy Mine, which is a subsidiary of the Tonopah Mining Co. The Mandy has about $12,000,000 in copper and zinc, gold and silver, blocked out to the 300 ft. level, having shipped 30,000 tons of 20 per cent. copper ore in 1918-19-20.

Callinan McKay Exploration owns the ground surrounding the Flin Flon, and has an ore body 40 feet wide on the Holy Smoke Claim, 1,500 feet east of Flin Flon ore body. Collinan-Neal properties lie close in and have some promising showings. East, eight miles, is Thompson Lake where the Baker-Patterson and the Baker-Don Juan are located. On the latter there is an ore body 17 feet wide uncovered for 51 feet to the water's edge, that gives 19 per cent. copper and 6 per cent. gold. The Dominion Group at Copper Lake, 35 miles east, have uncovered a vein for over a mile that is from four to eight feet wide, and gives very promising values, especially high in gold. In fact, with the exception of the Rex Mine at Herb Lake, it is about the only gold property to prove up—so far.

Arrangements are now being made to ship in supplies from The Pas, and 3,000 tons will be hauled in this winter. The haul is 110 miles, and it will take about 300 teams, as it takes a team ten days to make a round trip.

The work will be under the management of Mr. Phalen, who attended to the sampling, and the New York business under R. H. Channing, Jr., of New York.

Heavy Losses Suffered By New Yorkers in Early Flin Flon Mine Deals

The Flin Flon Mine was discovered in August, 1915, by Thomas Creighton, who with five other prospectors, Dan and John Mosher, Dan Mulligan and Leo and Isidore Dion, was prospecting for a Toronto syndicate comprised of Jack Hammill, Frank Currie, Hugh Ryan and Alex. Fasken.

The property was first optioned to Hayden, Stone & Co., New York, in February, 1916, and $75,000 was spent in diamond drilling. This deal called for $3,000,000 cash and a 25 per cent. interest, but owing to a disagreement over the bond issue it was then allowed to drop.

In the spring of 1918, W. W. Mein, Karry Davis and Henry Clay Perkins had an option and diamond drilling was again renewed, and was again dropped through disagreements of policy, and the work was then finished by David Fasken, of Toronto, who obtained a small interest in the property. This work was discontinued in the fall of 1918.

Again in 1920 W. B. Thompson, of New York, with the Mining Corporation of Canada optioned the property, and it was under their option that the most work was done, as two shafts were sunk and a larger amount of drifting and crosscutting undertaken. However, W. B. Thompson pulled out and later the Mining Corporation then purchased the Hammell-Currie and the interests of four of the prospectors. This gave the Mining Corporation 67 per cent. interest.

From 1920 up to the present time nothing has been done except some diamond drilling by Mining Corporation to greater depths.

Catch Rand in 30 Years If the Rand Would Wait

Frequently Northern Ontario's gold production is compared with the Rand of South Africa. That the north has a long way to go yet before a favorable comparison is possible, was evidenced by statements made to the Toronto branch of the Canadian Institute of Mining by T. F. Sutherland, Ontario's chief inspector of mines, in a recent address. Mr. Sutherland told of his visit to study deep mining methods and also the means employed to reduce accidents.

He found that production on the Rand, contrary to the popular opinion, is not as yet at its highest point. It is still increasing. Northern Ontario last year increased its output $5,000,000. If the Rand was to hold its present production and Northern Ontario continue its present increase, Northern Ontario would catch up to the Rand in yearly production in 30 years.

Mr. Sutherland's address was educative and interesting. Scott Turner, the new chairman of the branch, recently elected director of the U. S. bureau of mines, was tendered the congratulations of the branch.

Mining Corporation Pays Another 2½% Dividend

Mining Corporation has declared its second 1925 dividend of 12½ cents per share. This amounts to 5 per cent. for the year. This has been expected. Favorable developments have continued in South Lorrain and Cobalt and the Flin Flon deal, though it does not net the company any cash for three years, has aroused a feeling of great optimism.

MEXICAN CO. TAKES UP TWO PROPERTIES

Pawnee of Kirkland and Merger Group of Cobalt Are Optioned

Lucky Tiger Combination Gold Mines, is the first large Mexican operation to extend into Northern Ontario. It has just concluded a deal for Pawnee Kirkland in Kirkland Lake and at the same time a subsidiary, Cobalt Argyros Mining Co., has optioned Cobalt Merger group of claims near Kerr Lake in Cobalt.

Pawnee disposes of its 200 acres in Lebel Tp. and retains its claim adjoining Lake Shore and Teck-Hughes in Kirkland Lake. The agreement calls for the carrying on of a steady development program which will likely be started by sinking and diamond drilling. Besides a cash consideration Pawnee people retain a 20 per cent. interest. The Lucky Tiger's report shows the company to be in a strong position, having cash assets around $2,000,000.

Pawnee Kirkland is a well regarded prospect. Excellent surface finds attracted considerable attention to the property a few years ago. The deal was concluded by Jos. Houston, mining engineer, and Pres. Fred Jordan.

J. H. Rattray Cobalt, put through the deal for the silver property which will be developed through No. 3 shaft of the Kerr Lake. The first operation will be to open up the extension of No. 3 vein of Kerr Lake which extends into Merger ground and from which Kerr Lake mined 3,500,000 ounces of silver.

English Concern Takes Up Another B.C. Property

Porcupine Goldfields Development and Finance has taken up a third property in British Columbia, having leased the Goodenough, near Ymir, in Nelson district. A considerable amount of exploration has been done on the group, with the object of picking up the extension of the Ymir vein, and, though this does not appear to have been successful, a good deal of good ore has been exposed.

Operations have been carried on by shafts and tunnels to a depth of some 250 feet. The Porcupine company has started a tunnel to open the ore at a depth of 150 feet below existing workings; it is establishing a camp, and reconditioning nearly a mile of road from the main Ymir road to the mine; as soon as this last work is finished a compressor and other plant will be taken to the mine.

VIPOND'S NEW VEIN SHOWS GOOD WIDTH

Already Opened on Three Levels and is 20 Feet Wide on 300-ft. Level

Vipond Consolidated in November produced $46,000 from 4,893 tons of ore milled. This compares with a production in October of $46,000 from 5,204 tons of ore milled.

Dr. Bell says: "Developments during the month were highly satisfactory. A new ore body occurring at the junction of the No. 5 and No. 8 vein systems on the North Thompson claims in the southern part of the property has now been found at the 200-ft., 300-ft. and 500-ft. levels, and a crosscut is proceeding towards same at the 60-ft. level.

"While excavational development is proceeding at all horizons indicated, much further work is necessary before the dimensions and value of the new discovery will be known. Sufficient work has, however, been done to show that it is of substantial importance. At the 300-ft. level, where work is furthest advanced, ore has already been developed for a length of 70 feet over an average width of 20 feet, with limits of the ore body nowhere reached. New discoveries of importance have also been made in other parts of the property, notably in the northern extension of the central system at the 600-ft. level, where ore of fifteen-dollar grade over a width of 14 feet and a length of about 40 feet, has already been developed with a similar showing in both faces."

REPORT ON CONIAURUM

A report on the developments on Coniaurum Mines, Porcupine, is expected soon. Important things have been taking place on the property.

Industrialism Will Decline Due to Depletion of Metal Supply

World Supplies of Common Metals Will Decline, Says Alberta Professor—Lower Grade Ores Are Gradually Coming Into Use

Last week reference was made to the drive being made in Canada by U. S. interests for base metal deposits. In another column will be found details of the heavy sum involved in the Flin Flon purchase. Rather an interesting sidelight on the future of base metal in industry comes from Dr. R. W. Boyle, dean of the faculty of applied science, University of Alberta. He says the world's supplies of metals are being depleted at a rapid rate by the present age of industrialism. He makes the point that industrialism is near the pinnacle of its glory, and that a decline, due to the depletion of the metal supply, is coming.

As bonanza mines are being depleted, Dr. Boyle says new mines are being opened up which contain a smaller percentage of metal in their ores, in an effort to maintain supplies equal to the demand for raw materials.

As a consequence, the common metals, such as copper and aluminum, will increase in price, as their production becomes more expensive, and iron will become a semi-precious metal. We cannot promise them at their present prices for more than a century, as these prices will rise in proportion to the energy required to mine them.

HEAVY BUYING OF GOOD MINE SHARES GOES ON STEADILY

Some New High Marks Recorded and Profit Taking Has Caused Easing

New funds continue to come into the mining market with the result that the past week has witnessed an active and rising market in most of the good mining stocks. The movement has been well distributed throughout the list. Considerable profit taking on the part of speculators has been noted, but this is not surprising, because of the extent of the movement.

From the list given below, which, covers the active stocks, it will be seen that the majority have had a material move upwards since Dec. 1, but that most of them are now selling below the high mark which has been recorded in the intervening period.

Besides these there has been considerable trading in other issues. The Coniagas group have received quite steady attention. Keora has changed hands steadily at 14 and a fraction under. Argonaut has held firm. Crown Reserve, as will be seen in the table has done better, though there has been no special news come out. Castle and Vipond have been the leaders in activity, there being a large turnover in the shares of each. Keeley has come back strong and there has been a steady upward movement in the stock.

The table showing the recent movements follows:

	Dec. 1 Level	High Since	Present Bid	Present Asked
Castle	1.46	1.60	1.52	1.56
Crown Reserve	.17	.25	.22	.24
Nipissing	5.30	6.45	6.10	6.15
Mining Corp.	3.07	3.35	3.30	3.35
Keeley	1.45	1.70	1.65	1.67
Can. Lorrain	.68	.75	.73	.74
C. W. Dome	.17	.18¼	.18	.18¼
Dome	17.50	17.50	17.30	17.35
Hollinger	16.95	17.35	17.25	17.30
McIntyre	21.85	22.35	22.10	22.15
Kirkland Lake	.76	.82	.80	.81
Lake Shore	9.75	9.75	9.55	9.60
Teck-Hughes	2.25	2.50	2.43	2.45
Vipond	1.30	.161	1.56	1.59
W-Hargreaves	7.70	7.95	7.65	7.70
Tough-Oakes	.48½	.55	.53	.54

Keeley's Surplus and Ore Equal to Its Capital

Keeley Silver Mines' production in November was 124,091 ounces of silver, and 12,535 pounds of cobalt, compared with 125,316 ounces of silver and 17,309 pounds of cobalt in October.

During the month development work continued normal. At the end of the month the winze on the 16-28 vein system was 62 feet below the 10th level.

It is reported that Keeley's surplus is now higher than any time in its history and earnings are sufficient to provide for the present dividend of 16 per cent. and eight per cent. bonus for some time to come. Proven and indicated ore is said to be such as to provide profits which, when added to surplus, would be equal to $1 per share.

PURCHASE GOUDREAU CLAIMS

Lanier claims, fourteen in number, tacking on the corner of Gaudreau Gold in Goudreau, Michipicoten area, have been sold outright to Windsor interests.

NIPISSING ENLARGES HOLDINGS

Nipissing mines is reported as having acquired additional acreage adjoining its South Lorrain holdings on the west and lying between Nipissing's present holdings and Canadian Lorrain.

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Noranda Amulet

AN interesting article dealing with the development of the Copper-Gold areas of Northern Quebec will appear in the December 10th issue of

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Holders of Smelters Are Getting Tired Waiting

The Street is getting tired waiting for news of Smelters. The shares are now selling back to 145 from the recent high of 163. Many purchased the shares near the high in anticipation of bonus news and quick profits. Instead, there has been absolutely no news, buying has dried up, and material losses have been piled up for many holders.

Helium Gas Discovery of Much Importance

Considerable interest has been aroused over the report of the finding of helium gas near Brampton and the reserving of the same for the government. Helium gas is lighter than air and very valuable for airships, being non-inflammable. Western gases contain helium also. The report has added interest inasmuch as an article by O. P. Austin, statistician, National City Bank, New York, says that the United States alone has a large supply of natural gas rich in helium.

TAKE OVER ARGONAUT CLAIMS

Laval Quebec Mines is the name of the company that will take over Argonaut's Rouyn claims. It will be capitalized at $5,000,000. Argonaut will get 1,750,000 shares and cash payments of $150,000 yearly for four years. The funds will be used to redeem outstanding bonds.

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News of the Mines

PROPERTIES WHICH WERE POPULAR IN EARLY DAYS RE-OPEN

Crescent Silver Was Bought By Many While Rickard Sold For $350,000

Two old Ontario mining prospects, one silver and the other gold, which years ago were sensations in the north, but have been neglected and forgotten ever since, are coming back into the limelight again. One is the old Primo, now Crescent Silver, in from Latchford, south of Cobalt, and the other is Rickard Gold Mines, Rickard Tp., east of Iroquois Falls. The former was sought after by many of the leading mining concerns and interests, especially New Yorkers, while the second was actually sold for $350,000 cash.

Rather an interesting situation exists in regard to the Crescent Silver. Interests in control turned down numerous tempting offers from some of the large United States mining companies. It is known that 15 or 16 engineers made reports on the property for their principals, but every offer involved control, which the owners steadfastly refused to give up. The property has been closed for a time now, a break in the compressor coming at a time when it was difficult to get new parts in. The present plans are to ship some of the ore that has been opened up as soon as operations are resumed.

Near Edison Group

The property is located next to the Edison group of four claims, on which the Edison people of New York spent considerable money years ago. The original staking was in 1905, and it was allowed to lapse and was later restaked. There is a large hill running in from the lake, and an adit has been driven into the sidehill for 840 ft. This has cut a number of veins, rich in cobalt and silver. The main vein which was cut 750 ft. in, shows a width from wall to wall of 26 ft., with an 18-inch silver pay streak and massive cobalt. Excellent values have been secured in assays. This vein was drifted on for 190 ft. and is known to extend for a distance of around 2,000 ft. on surface. On No. 1 vein 120 ft. of drifting has been done. This vein is either an offshoot of the main vein, or intersects it, and there is a heavy body of ore at the junction point which will be mined and shipped when operations are resumed. There are a couple of small prospecting shafts on surface.

Interests behind the property say they have had a heavy task trying to make a mine and still retain control. The outlook, however, seems bright to them from now on, as they have opened considerable ore.

Rickard Ore Spectacular

The Raty claims in Rickard Tp. provided some sensational ore and were the subject of a special report by Percy Hopkins, of Ontario Department of Mines. Samples of the ore showing free gold proved quite spectacular, and specimens are to be seen in the Parliament Buildings. The late J. P. Watson, of Mining Corporation, made a deal with the prospectors to purchase the claims for $350,000, the price to be paid in three years. Certain sums were paid down and considerable money expended. At that time, Mining Corporation was not flush with money, and when a large payment came due, is said to have tendered $10,000 and asked an extension of the balance. This was refused, and so the option was dropped.

J. W. Morrison has made a report on the property recently. The formation is the same as Porcupine, with diabase and cyanite porphyry and veins of quartz and sulphides. There are numerous veins on the three claims and the additional acreage that has been taken up to make a 448 acre group. No. 1 vein has been traced for 400 ft. and gives good average grade in sampling. Mining Corporation, besides sinking 100-ft. shaft and doing 300 ft. of lateral work, also did considerable diamond drilling.

Mr. Morrison regards the property as a good prospect, with possibilities, and had recommended that $150,000 be spent on it in testing it out. It is understood that the company has some two-thirds of its $3,000,000 capital in the treasury, and that half this has been underwritten by interests associated with Detroit people, and exploration funds are being raised in that city. The plan is to put in a new mining plant, there already being good camps on the property, and to sink a shaft 1,000 ft.

LUCKY FIND MAKES DOZEN MEN WEALTHY

B.C. Operators Will Net Backers Around 100 Per Cent. Monthly

After 25 years' exploration by various groups, success has been met with in finding ore on what is now known as Beaver, formerly Revenge, mine near Greenwood, B. C., as a result, a small group of Victoria, B. C. residents are growing rapidly rich.

Apparently it is a one vein proposition and men have worked for a quarter-century seeking an ore shoot. A series of test pits sunk this year, and then extended, at last opened up the ore. As a result, out of a pocket 40 feet long, 12 feet deep, there has been taken this summer 100 tons of silver-lead ore, which has brought $15,000 from the smelter. Success has continued and now it is proposed that the dozen men interested shall divide some of the accumulated profits after the turn of the year. Dividends will run at the rate of between 600 and 1,000 per cent. a year, it is expected, following the example of the nearby Wallace Mountain mine, which is now paying 600 per cent. a year.

"The mine is now on a production of two high grade cars a month, which will give the owners a return of 100 per cent. a month, a part of which will be held back for reserve.

Mineral Output of Ontario Has $10,000,000 Increase

All Metals Show a Generous Advance For Nine Months—Millheads of Various Gold Mines Are Well Maintained

Northern Ontario's mineral production for nine months of 1925 shows an increase of close to $10,000,000. Just recently the Department of Mines made public figures on gold production for 10 months. It showed a total production of $24,873,694. The latest tabulation covers metalliferous production of all kinds and shows that there has been a generous advance in all metals.

Gold production is up over $4.000,000; silver $500,000. Nickel output with an advance of nearly $3,000,000, is slightly under the total for the whole of 1924. The same applies to copper, while cobalt output for the nine months is above the 1924 total. Platinum production is much higher than nine months of 1924, but is $1,000,000 under the 1924 total.

The figures:

	1925			1924	
	3 mos.	6 mos.	9 mos.	9 mos.	12 mos.
Gold	$6,949,636	$14,506,219	$22,442,860	$18,171,106	$25,669,262
Silver	1,702,120	3,792,219	5,454,561	4,927,443	6,691,656
Nickel	3,905,978	8,453,851	11,158,724	8,364,717	11,300,590
Copper	1,038,652	2,164,954	3,334,377	2,666,491	3,808,544
Cobalt	550,319	1,109,809	1,820,761	1,398,333	1,421,827
Platinum	37,695	74,817	869,231	286,376	1,891,497
Others	165,011	522,798	525,315	395,767	809,116
	$14,349,411	$29,515,391	$45,606,371	$36,210,515	$51,634,888

The nine months' tabulation has its chief interest in the production of the individual gold mines. With the exception of Dome, Teck-Hughes and Kirkland Lake Gold it will be seen that the nine months' figures are ahead of the total for the year 1923, and in the case of Lake Shore, Wright-Hargreaves, Tough-Oakes, Argonaut and C. W. Dome, the nine month total is also higher than the 1924 total. The tonnage treated shows that these mines are handling a much greater amount of ore this year and this applies practically to all the mines as the nine month totals used as an average for the year shows a material increase.

Perhaps the striking fact about this tabulation are the millheads, the average recovery per ton of ore made by the mines. The outstanding features are Hollinger and Wright-Hargreaves. The former, though it has handled a greater tonnage in 9 months than it did in the year 1923, shows a much higher recovery than was the case in the past two years. Wright-Hargreaves millheads show the benefits of the higher grade ore which was encountered on the 1,000-ft. level. Taking them on the average it will be seen that the millheads are standing up well. The 10 months' figures show an average recovery for Kirkland Lake of $14.50 and Porcupine $8.02.

The figures:

	Tons treated			Production			Rec. per ton		
Mine	1923	1924	9 mos., 1925	1923	1924	9 mos. 1925	1923	1924	9 mos. 1925
Porcupine —									
Hollinger	1,366,352	1,659,475	1,432,979	10,391,324	13,853,171	11,863,625	7.08	8.05	8.70
Dome	399,900	493,400	396,600	4,354,107	4,285,422	3,237,795	11.80	8.68	8.16
McIntyre	291,428	390,497	303,715	2,532,867	3,579,401	2,633,630	9.05	9.17	8.67
Vipond	2,623	52,301	45,481	23,760	595,006	422,660	...	11.38	9.27
C. W. Dome	......	8,114	27,475	......	60,424	228,923	....	7.45	8.33
Night Hawk	......	38,326	29,103	......	256,855	146,054	...	6.70	5.02
Kirkland Lake—									
Lake Shore	23,203	56,168	79,334	546,369	1,096,712	1,524,864	24.01	19.52	19 22
W. Hargreaves	79,242	84,487	107,756	751,782	1,084,447	1,420,972	9.49	12.83	13.18
T. Hughes	38,314	44,209	37,901	1,115,342	1,020,166	705,277	29.11	23.07	18.34
Kirkland Gold	45,499	8,091	....	222,153	46,219	......	4.88	6.71	...
Tough-Oakes	8,803	8,438	25,029	11,984	47,149	199,091	6.64	5.59	7.99
Argonaut	.....	24,178	19,977	......	151,939	153,146	...	6.28	7.66
B.-Hollinger	....	....	4,640	......	......	26,659	...	...	5.74

Mill enlargements and one new producer provided the increase in the gold mines, says the Department of Mines; while increased production of S. Lorrain and Gowganda put the silver total up, Cobalt almost holding its own. The increase was 7.9 per cent. Silver prices have averaged better, 68.40 cents per fine ounce for the period as against 65.905 cents during the previous year, there was an increase in value of $527,118 or 10.7 per cent. Sixteen companies made shipments of ore from the Cobalt field, while four shipped from South Lorrain and three from Gowganda, or a toal of 23 shippers. Both South Lorrain and Gowganda made substantial gains but production from the older Cobalt camp fell off slightly.

The shipment by camps:

	Ounces	
Cobalt proper	4,453,996	$3,042,901
South Lorrain	2,259,111	1,593,380
Gowganda	937,932	638,005
Recovered from gold bullion	182,470	124,743
Recovered from nickel-copper refining	80,197	55,532
Total	7,913,706	$5,454,561

Gold and silver mines have been so much in the public eye that the development of the nickel-copper industry has frequently been overlooked. The actual growth in this branch of mining has been on a par with that of the precious metals. New uses of nickel have recently been extended in the motor industry to radiators and in another field to nickel-copper submarine cables, so that the nickel industry appears to be facing an expanding future, in which the peace time needs will equal those of war, when nickel was so much in demand for armour plating and other war supplies.

While the tonnages of nickel-copper ore raised and ores smelted decreased during 1925 as compared with the corresponding period in 1924, there was an increase in the quantity of matte produced. indicating that ores of higher metal content were being treated.

The operations for the 9 months' periods of 1925 and 1924 follow:

	1925	1924
Ore raised, tons	949,706	1,132,431
Ore smelted, tons	931,593	1,012,307
Matte produced, tons	50,980	48,677

Ontario's Iron Ore and Lead Output Negligible

The report of the Ontario department of mines on metalliferous mining for nine months of 1925 reveals the fact that in the period under review blast furnaces treated but 6,830 short tons of Canadian iron ores out of a total of 597,126 tons.

Another fact revealed is that Ontario has but one lead producer and no zinc. Kingdon mine, near Ottawa, produced 4,870,458 lbs. of lead, valued at $418,000, compared with 3,764,546 lbs., valued at $274,338, in the same period of 1924.

CASSIAR PRODUCED $7,500 THIS YEAR

About $7,500 in gold was produced, according to W. A. Johnston, of the Geological Survey of Canada, from placers on Goldpan Creek, Cassiar, British Columbia, during the summer of 1925. It was on Goldpan Creek that the find was made in the autumn of 1924 that led to the rush into this district in the spring of 1925. This creek is a tributary of Little Eagle River, and lies eleven miles in a direct line due east of the head of Dease Lake.

All the mining was done by hand, as in the seventies when the Cassiar district was the scene of considerable activity. Nearly all the gold was obtained on the lower part of the creek from the Discovery Claim, and from claims No. 1 above and No. 2 below. The creek was mined out for a length of five hundred and sixty-five feet, the ground averaging three to five feet in depth. Some gold was found in the upper parts of the creek, which is nearly four miles long, and on its tributaries, but apparently not in sufficient quantities to pay for working by hand methods.

Considerable prospecting was done in other parts of the region, and extended as far north as Frances Lake, east to Muddy River and in the west on the first north fork of Clearwater River. One party of prospectors used a hydroplane for moving from one part of the region to another, as well as for flying in and out of the country. Late in the autumn a discovery of placer gold on low benches in the canyon of the first north fork of Clearwater River, about twenty-five miles above the mouth of the Clearwater, was reported. No information is available as to its importance.

MINING STOCK QUOTATIONS

Week Ending December 8

	High for wek	Low for week	Close Dec. 8	Close Dec. 1	Sales for week
Amulet	1.18	1.10	1.14	1.15	40350
Apex	2¼	2¾	2¾	2¾	10750
Argonaut	17	14¾	16¾	16	61050
Atlas	2	1½	1¾	2¼	48700
Baldwin	2	2	2	2⅛	22000
Barry-Holl.	26¼	25¼	25¾	26	31700
Beaver	52	48	51	50	77000
Bidgood	8¾	8¾	8¾	9	1000
Chaput H.	7	7	7	8	2000
Buckingham	2⅛	2½	2½	2½	6500
Can. Lorrain	75	68	73	69	102475
Capitol	30	28	29¾	29	48300
Castle Tre.	1.60	1.40	1.56	1.44	101726
Clifton	2⅛	2	2¼	3	10000
Coniagas	4.60	3.90	4.00	4.00	8608
Coniar'm	4.00	3.50	3.65	3.65	1681
Col. Kirk.	4	3½	3¼	3⅞	60900
Cons. Smelters	154¼	147½	147¾	152¼	9897
Cons. W. Dome	18¼	16½	18⅛	16½	143200
Crown Res.	25	16	23⅛	16¼	229900
Dome Mines	17.50	17.20	17.40	17.30	5433
Everett	8	7¼	7½	8	61000
Goldale	34½	32½	34	34	130550
Gold Reef	1⅛	1½	1⅛	1¾	27500
Hattie, pref.	2⅛	2	2	2	73500
Hollinger	17.35	16.75	17.15	16.95	5314
Hunton	7	6½	6½	5½	17000
Indian	5¼	5¼	5¼	5½	2500
Int.Nick.,com.	48⅜	45½	45⅞	47½	6440
Keeley	1.70	1.44	1.65	1.44	54560
Keora	14¼	13½	13¾	14	41000
Kirk. Lake	82	68½	80	74	118050
Lakeside	3⅜	2½	3	3	12750
Lake Shore	9.75	9.60	9.65	9.70	10150
La Rose	40½	38	40½	38	34000
Lorrain	8	7¾	7⅛	8	58500
Lorrain T. L.	90	90	90	90	600
McKinley	25	20	22½	19	95600
McIntyre	22.35	21.75	22.10	21.80	11308
Mining Corp.	3.34	3.05	3.30	3.10	36000
Moneta	17	17	17	17	6000
Newray	44	36¾	39	36	38931
Nipissing	6.45	5.35	6.14	5.30	30765
Night Hawk	8	8	8	8¾	5000
Noranda	10.90	10.00	10.00	10.55	10
Noranda (New)	11.00	10.00	10.20	10.60	14110
Ophir	3	3	3	3	1000
Pete Lake	2¾	2⅜	2¼	2⅜	3000
Porc. Crown	6	4	6	3⅜	3500
Premier Gold	2.25	2.20	2.23	2.23	17560
Preston	8¼	7⅜	7½	8	83000
Rouyn	3	3	3	4	1000
Teck Hughes	2.50	2.25	2.48	2.25	163379
Timiskaming	13¾	12	13¾	12½	8000
Tough Oakes	55	50	54	49½	68050
Vic. Silver	6	6	6	6½	1000
Vipond Cons.	1.61	1.31	1.59	1.35	288770
Vickers	16¼	11	16	11	46600
Wasapika	1½	1	1½	1¼	5000
West Tree	2¾	2¼	2⅜	2¼	6000
Wright Har.	7.95	7.40	7.90	7.70	9230

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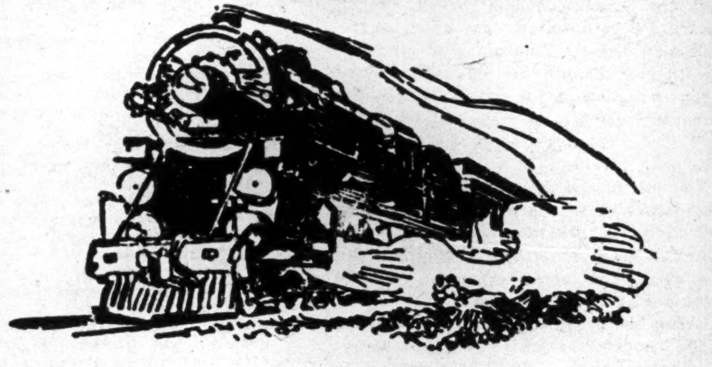

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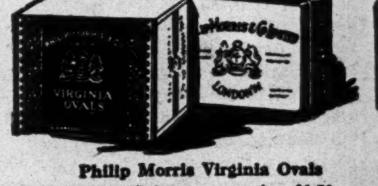

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Philip Morris Navy Cut

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Tins of 50.................... .70
Tins of 100.................... 1.40

x-7

BANK OF MONTREAL

Annual General Meeting Held 7th December, 1925

The 108th Annual General Meeting of the shareholders of the Bank of Montreal was held in the Board Room at the Bank's Headquarters.

On motion of Mr. H. R. Drummond, Sir Vincent Meredith, Bart., was requested to take the chair.

Mr. E. W. Beatty moved, seconded by Mr. Henry Rawlings, that Mr. Hartland B. McDougall and Col. George R. Hooper be appointed to act as scrutineers, and that Mr. C. H. Cronyn be the secretary of this meeting.

This was carried unanimously.

THE PRESIDENT'S ADDRESS

Sir Vincent Meredith, Bart., president, in addressing the shareholders, said:

Before moving the adoption of the Report, it is customary for me to make a few remarks.

We have added to the Board during the year three representatives who provide a welcome accession to our strength—Mr. Thomas Ahearn, Mr. J. W. McConnell and Mr. F. W. Molson. I feel that the Bank is fortunate in having secured the able services of these gentlemen to assist in the direction of the Bank's affairs and the protection of your interests.

Also, since our last meeting, the acquisition of the Molsons Bank, which you authorized at the Special General Meeting on the 23rd of December last, has been accomplished. Taking over this important business has added materially to our branch system, and while the Molsons Bank shareholders received a fair price for their holdings, I am glad to say that with the economies in administration and operation effected through the consolidation of the business with ours, the results of the past year have proven satisfactory.

GENERAL BUSINESS CONDITIONS

In reviewing the business of the past year, our Balance Sheet indicates the general trend of events. Our deposits, as compared with two years ago, show a large increase, while our loans during the same period are considerably reduced.

The total commercial loans of all Canadian banks on the 30th September last were $150,000,000 lower than at the same date in 1923. This is due to dullness in certain lines of trade and also to the fact that the cheap money recently available has attracted some industries into raising permanent loans from the public, thereby strengthening their cash position to a point which enables them to carry on without the usual bank borrowings.

Our profits are in consequence somewhat adversely affected, but we are left in an unusually strong position to meet any calls which increased activity in trade may make upon us. Notwithstanding these conditions, our dividend and bonus have been earned and taxes paid, and we have a balance to carry forward.

The abnormally high yields on pre-war and war investments have dwindled as capital has accumulated, and the necessity of finding profitable investment has no doubt been largely responsible for the advance in the prices of stock exchange securities.

Increased demands for commercial funds would result in higher money rates than those which have recently prevailed. This should not be a cause for concern, for moderately high money rates are a healthy symptom, constituting a factor in justifying confidence in the business outlook.

There is no question but that the trend of business is slowly but surely upward. As an evidence of this, car loadings are the largest on record, while wholesale and retail business show a fair degree of increased activity. Textile industries are well employed, and there is more demand in the leather and allied trades. Improvement is also shown in other lines of business, although profits are curtailed in the grocery trade. There is little improvement in the lumber market in Eastern Canada, but western shipments by way of the Panama Canal have substantially increased.

Agriculture is our leading industry and on its profitable outcome the prosperity of the country largely depends. While unfavorable weather conditions restricted harvesting to some extent, the crop that was garnered this year is a very large one and, at present prices, will prove profitable to the farmer. The marketing of the crop will bring at least $500,000,000 of new money into Canada and will undoubtedly effect a liquidation in farmers' liabilities. This new money will flow into all channels of trade and be reflected in improved business conditions generally throughout the country.

The rapid movement of the crop to market required the use of a large amount of money. This the banks were able to supply without stress or strain of the currency system and without interruption of the use of credit for ordinary commercial purposes. In this accomplishment may be found a tribute to the excellence of our monetary laws and the adequacy of our banking resources.

CANADA'S FOREIGN TRADE

The figures of foreign trade are encouraging, the aggregate value of this commerce in the seven months ending October 31st last having been exceeded only once in the last seven years, viz., in 1920, when prices were at the peak. In the seven elapsed months for which returns are available, imports and domestic exports amounted to $1,248,000,000, an increase of close upon $200,000,000 over last year, and nearly 50 per cent. in excess of this trade as recently as four years ago. Taken in the large, satisfaction can be derived from this bald statement, nor is this satisfaction greatly diminished by closer examination of the figures. The balance is on the right side, exports having exceeded imports by the large sum of $181,243,000, an excess never before reached in a similar period. There is gratification also in the fact that farm products have made the principal contribution to the expansion of exports, these having had a value of $420,602,000 in the last seven months, being no less than 60 per cent. of exports of all kinds and a monetary figure higher than has hitherto been reached. In this circumstance may be found the cause of the larger prosperity enjoyed by the agricultural classes in Canada.

The balance of export trade is derived chiefly from two other sources: the forest and the mine. From forest products, including pulp and paper, came about 22 per cent. of the foreign commerce of the seven months and from the mines 15 per cent. These items have shown gradual expansion in recent years and bid fair to contribute in the future a still larger proportion of Canada's exports.

The import side of trade returns calls for no special comment. Since March last, imports have risen $68,000,000 to a total of $533,620,000, the increase occurring in all classes of commodities. This may be accepted as an indication of the moderate improvement in business the country over which has latterly set in.

Yet, satisfactory though the figures of foreign trade thus appear, the conclusion is irresistible that the situation will be bettered when the country exports a larger percentage of its forest and mineral wealth in the form of finished articles and not of raw material to be fabricated abroad.

LABOUR AND WAGES

Since the war, labour's position on this continent has been materially bettered, both as regards income and living conditions. Forces have been operating that have effected a more general distribution of the fruits of prosperity in the past ten years than ever before. One factor supporting this is the greater technical efficiency of production, which allows higher wages without proportionately increased prices. The most tangible evidences of this prosperous state are seen in the unparalleled rate at which savings are accumulating, also in the purchase on an increasing scale of many commodities and articles formerly classified as luxuries. The large buying power of the wage earner at present is reflected in the prosperity of the country.

According to statistics compiled by sources equipped to make a broad survey, what are colloquially called wages have gone up more than the cost of living in the past ten years. Some groups of labour are receiving wages of 100 per cent. more than ten years ago, although the value of such wages, measured in purchasing power, is much less than that increase would imply.

FOREIGN COMPETITION

You may recall that two years ago I expressed the view that with the return of European countries to the gold basis, Canada would feel the effects of increased competition, both in her foreign trade and at home. This competition, which is now becoming increasingly apparent, is made possible through low labour costs coupled with the longer hours and greater industry that prevail in European countries.

In my judgment, there are only two avenues of escape from the serious consequences of this competition. One of them is by manufacturers installing improved and efficient labour-saving machinery, so as to provide a larger turnover at small cost. The other being of a controversial political nature. I am debarred from enlarging upon its merits.

AMERICAN CAPITAL IN CANADA

Fear of the Americanization of Canada has been expressed by visitors from overseas because of the large sums of money coming from the United States for investment in manufactories and other enterprises in this country. I do not share this fear but rather welcome the flow of money, which must assist in the development of our natural resources, give employment to labour and increase our exports to other countries.

Nor does experience of like conditions in other countries give cause for apprehension, the investment of foreign capital in development of resources of an alien nation benefiting both those who give and those who take. The firm loyalty of the Canadian people to the British Empire has roots deeper than the pocket.

The exportation of pulpwood, power and other natural resources has been a much debated subject. My own feeling is that these resources should, as far as is possible, be retained and developed in Canada.

THE NATIONAL RAILWAYS

I make no apology for adverting again to the serious problem presented by the Canadian National Railways. The statement is officially made that during the last five years the capital debt of these roads has been increased $572,825,000, a staggeringly large amount when it is remembered that not one dollar of net revenue has yet been available toward these new interest charges. Some progress in earnings has, indeed, been made, but for every dollar thus gained, there has been an offsetting liability in the shape of new capital obligations. I am persuaded that, of our national problems, none presses more urgently for solution upon Parliament than that of the railways.

IMMIGRATION

Immigration returns are distinctly disappointing. Newcomers to our country during the year reached only a very meagre total. Whether this is due to some restraining influence not apparent on the surface, or a want of activity on the part of immigration officials, it is difficult to determine. In any case, it is essential that our large areas of uncultivated lands should be settled and made productive. This would increase the demand for skilled labour in our industrial plants. By no other means can the burden of taxation be lessened, nor general progress and prosperity be so surely attained.

BUSINESS IN THE UNITED STATES

A gradually rising trend in business activity in the United States has been present in most of the leading industries, with the volume of production increasing at a rapid pace to above, or close to, previous records. The undertone of this prosperity is apparently sound, with prices and profits in better relation than in some years, and speculation for the most part confined to the securities market and real estate. The country's transportation systems are efficiently handling the enormous traffic resulting from the greater business activity, and bank clearings, which go with increasing production and greater exchange of goods, are substantially large.

Ease in the credit situation has been marked, with banking resources ample at reasonable rates. With an enlarging demand of consumers for goods of all kinds, the practice of purchasing a variety of commodities on deferred payment plans is extending rapidly and has reached such proportions as to suggest the possibility of credit strain later. On the other hand, national accumulation of savings has been greater.

CONDITIONS IN EUROPE

Encouraging progress has been made during the year towards the restoration of international equilibrium. The most hopeful portent is the successful termination of the Locarno Conference, which should ensure a period of security from European war.

The settlement of international war indebtedness has not proceeded quite so satisfactorily, and it is to be hoped, in the interests of world stability, that before long arrangements will be completed between the United States and France and that the conditional settlement arrived at between Great Britain and France will be ratified.

Trade has been marked by some sharp contrasts, coal, shipping, shipbuilding, iron and steel, and cotton having experienced very lean times, while on the other hand other industries have enjoyed prosperity. In general a more hopeful feeling is evident regarding the future of British trade and signs are not wanting of a revival of business.

In France, the influence of politics has stood in the way of improvement in the financial situation, and the failure of the recent 4 per cent. Gold Loan has left the problem of the heavy French floating debt unsolved. The immense importance that the financial and economic position of France has upon the European situation as a whole impels the earnest hope that a way will be found out of the country's many difficulties in the near future.

Let me, in closing, say one word about the future. I realize that prophecy is at all times a hazardous venture, but I think I may safely say that the signs are propitious for an expansion of business during the coming year.

After the great slump in 1921-23, when huge losses were made owing to depreciation in values, a hand-to-mouth policy was adopted and shelves were practically bare. Increased activity is now in evidence and forward buying is again being undertaken, though, so far, with caution and prudence.

The pressing necessity of restricting, so far as may be legitimately possible, all national expenditures is generally recognized, but unless it is followed by appropriate action which results in reduction in taxes, we cannot regard it as other than an ineffective gesture. If our expenditures should be so controlled that within a reasonable time Canadian taxes should not exceed those imposed in the United States, it would provide an important stimulus to industry and also an effective aid to immigration and colonization, the need for which is apparent. When I urge as strongly as I can that this measure of prudence and economy should be exercised, I do not do so with any feeling that lack of confidence in the country itself is warranted. In fact, I am more convinced than ever that the country, actually and potentially, possesses such wealth and opportunity that its future cannot be denied, and I deprecate most strongly expressions of opinion based upon local conditions and individual business which are perverted into pessimism as to the country's future when no real foundation for such a sentiment exists.

May I repeat, in the light of present-day conditions as I see them, what I said to you at our last meeting, that I look forward with the utmost confidence to Canada's future.

THE GENERAL MANAGER'S ADDRESS

Sir Frederick Williams-Taylor, general manager, in submitting his annual address, said:

Mr. Chairman and Gentlemen:—

You have before you the one hundred and eighth annual statement of the Bank's position, and I beg leave to report that your Bank continues safe and sound, both strong and liquid, with a clean business and a satisfactory organization.

As you know, the good name we possess was never better than it is to-day. It is an asset which we value as we do our material resources, and which it is our duty as well as our determination to preserve.

We have gone through another year of business depression and this is reflected to the disadvantage of banking profits. Fortunately our great earning power continues, though obviously our profits would have been larger had the industrial situation permitted us to put out more money to the trade and commerce of Canada rather than to loan on call in London and New York, or to buy high-class investments with a lesser yield.

As to the future, my special message to our shareholders at distant points and abroad is that for several reasons, including a bountiful harvest, there has come about a better and more hopeful feeling throughout Canada. In consequence, there is ground for thinking that we have passed through the worst of our bad times and that we can look for better general conditions, in which, naturally, our Bank must share, especially as we have never been in a better or stronger position to undertake new business.

In round figures we have of cash	$104,000,000
Of call loans immediately available	134,000,000
Of gilt-edged, short dated, and other readily realizable securities	140,000,000
Of other liquid assets	72,000,000

Or a total of 66 per cent. of all our liabilities to the public in cash or in a form readily convertible into cash.

Our deposits non-interest bearing in Canada as at 31st October were $152,500,000. This figure is lower by $28,600,000 than a year ago, at which date certain of our important customers had accumulated large sums for pending commitments.

Our deposits bearing interest, which for the most part represent individual savings, have increased $16,100,000 to $471,800,000. I am glad to report that, quite apart from the Molsons Bank acquisition, this department of our business continues to enjoy a natural, healthy growth, reflecting the confidence which your Bank enjoys on the part of the general public.

Our notes in circulation at $46,000,000 are about $7,000,000 higher than a year ago. This increase is partly due to the acquisition of the Molsons Bank and to the larger crop.

Our call loans in Canada and abroad stand at $134,000,000, an increase of $16,000,000 as compared with a year ago.

Our commercial loans in Canada are $10,700,000 higher than at 31st October, 1924, but in this we must take into consideration that with the Molsons Bank we acquired about $32,000,000 of current loans and discounts. Loans of this class for all Canadian banks are $53,000,000 lower than a year ago.

Our current loans abroad are $28,800,000, and loans to municipalities in Canada $15,900,000.

Our purchase of the Molsons Bank brought about an increase in bank premises account from $9,800,000 to $12,650,000, since reduced by $500,000.

Canada now has one branch bank for every 2,200 people, as compared with one bank for every 3,700 persons in the United States and for every 3,000 persons in Australia. The Canadian town is indeed small that has not at least three branch banks in direct competition.

The service which the public receives from its bankers includes much beyond the mere lending of money, and competition has resulted in many of these extra facilities being extended below cost. This is a feature of the banking business which is not confined to our own country.

Our offices abroad and in the United States continue to progress satisfactorily.

In London throughout the year the short loan and discount markets have been under the influence of extraneous circumstances, which have made the trend difficult to forecast. Rates, however, have been fairly remunerative, in spite of the fact that the Bank of England rate was reduced by stages from 5 per cent. to 4 per cent., and the substantial reserves we maintain in London have been employed with satisfactory profit. Last week the Bank rate was returned to 5 per cent.

Now that the dollar-sterling exchange is stable around the gold point, one impediment to the issue of Canadian securities in London has been removed, and we are that much nearer the time when our London office can again engage in what in the past has been an important feature of their activities. The embargo against foreign and colonial loans was recently lifted, and issues of loans will be governed now by the law of supply and demand. At present, sound Canadian securities can be placed on this side of the Atlantic on a basis very favorable to the borrower, but the time will surely come when London will again be resorted to for loans.

Our London West End Branch and the Bank of Montreal (France), Paris, continue to perform successfully the functions for which they were originated and provide a great convenience for the traveling public.

In New York, the importance of our business grows apace. We are suitably represented in Chicago and San Francisco and in Mexico we have five branches, all transacting a satisfactory business upon conservative lines.

Exchange between Canada and New York during the year has been steady at close to par. It is satisfactory to those interested in our import trade and to those having regular interest commitments in New York that the buying rate of exchange has become normal. The exporter has lost an advantage, but the return to par is, of course, better for the country as a whole, and equalization of the Canadian with the American dollar is a source of general satisfaction.

In the United States, a broadening improvement has taken place in business in the past year, and greater confidence in underlying conditions has been reflected in soaring security markets and increased bank clearings. Credit resources have not been over-taxed, and a somewhat higher call money rate has ruled without strain on supply. The average rate for call money for the year was 3.82 as against 3.40 for the previous year.

Reverting to the general situation in Canada, during recent months conflicting statements have been published broadcast, ranging from rose color to black, respecting our business conditions and outlook, and in particular there has been much complaint because we are not now so prosperous as the United States. In consequence, the Canadian public, and those outside, but interested in Canada, may well have felt confused and uneasy.

Briefly, we find the facts to be as follows: Our foreign trade figures are readily available. We know that our exports exceed our imports for the year under review by $333,000,000, which is satisfactory.

Turning to our internal trade, we know from experience that it has not been generally satisfactory, though the official aggregate figures are never obtainable for two years or more.

An outstanding and gratifying exception is the grain-growing industry of our splendid West, which this season produced over 400,000,000 bushels of wheat as compared with 235,000,000 bushels a year ago. Oats, barley and coarse grains also were a larger crop.

Bank clearings for all Canadian cities during our bank year show a decrease of $850,000,000 from the figures for the previous twelve months. Bank amalgamations have naturally reduced the volume of clearings from time to time, and a more accurate indicator of business has been devised by compiling the volume of debits to individual banking accounts throughout the country month by month. These figures, I am glad to say, have indicated latterly a more active state of business.

Bank deposits in Canada are higher by $184,000,000 than a year ago, while commercial enterprises are borrowing $53,000,000 less.

This increase in deposits is a good sign up to a certain point, but if that portion of the increase which represents idle funds of industrial concerns on deposit with the banks were being actively employed by these concerns in their business, the country as well as the banks would in the end be better off. The increase in the Savings Department, which consists in the main of small accounts, is a healthy and encouraging sign.

Commercial failures for the twelve months ended 30th September were:

	Failures	Liabilities
	2,313	$46,700,000
For the previous twelve months	2,488	$69,800,000

Railroad earnings afford an intelligent measure of a country's internal trade. The gross earnings of our Canadian roads for the past three years ending 30th September have been:

1923	$442,000,000
1924	440,000,000
1925	410,000,000

Pulp and paper production and shipments are ahead of last year. Our exports under this heading have reached the large sum of $160,000,000 per annum as compared with $30,000,000 ten years ago. At present there is said to be a tendency to over-production in the newsprint trade.

In the recent development of Canada a most important feature has been the steady growth of the mineral industry. In 1913 the value of the products of mines and quarries amounted to $146,000,000, while in 1924 it reached $210,000,000.

Statistics for the first six months of 1925, as compared with similar figures for the corresponding period of 1924, indicate a further material advance in the wealth derived from the production of metallic minerals, and, with a return to more normal conditions in the coal fields, the production of non-metallic minerals will also advance.

The fishing industry on both the Atlantic and Pacific seaboards has had a better year.

Lumbering results have been unsatisfactory. European and Oriental export business has fallen away, and the American and domestic markets have bought less.

In the manufacturing trades the general policy has been one of marking time. Textiles have recovered from lack of demand and relatively low prices. Iron and steel plants on the whole have been intermittently idle and active, with unsatisfactory results. Woollen, leather, and the boot and shoe industries have had an unsatisfactory year. The output of automobiles has been steadily on the increase. Wholesale dealers in dry goods, groceries, and hardware complain of lack of turnover and inadequate profits.

You will find in our published reports our views in detail regarding trade in our nine Provinces.

You will gather from the foregoing that conditions in the year under review were neither so good nor so bad as extremists on either side have stated. As to the outlook, it is true that taking the national railways into account, we are not balancing our national budget. This must not continue. We must sometime and somehow contrive to live within our means and begin to pay off our debts. With good management of our affairs we should be well able to do this, and we will do it as soon as our people wake up to the fact that public debt is a burden on the individual back and that the bigger it gets the more money it takes out of the individual pocket.

To this end I venture to repeat here what I have said before, that the systematic publication by the Dominion Government of concise and readily understood figures embracing all the national liabilities would stimulate a healthy public interest in this matter.

The awakening process is disappointingly slow, perhaps because, instead of living alongside other nations hard hit by the war, we have as our only neighbour the nation that grew rich out of the war. I mean no disrespect to the United States, for there is no other foreign nation we would prefer as a neighbour, but had we been living amongst the war-impoverished countries of Europe, there would have been no such marked contrast, and we would doubtless have more quickly realized our own economic condition.

Before the war, conditions of living in the United States and Canada were much alike, and we have grown accustomed to that order of things; but the war put us behind and put the United States ahead, so comparison at present is futile.

This same condition of prosperity in the United States has also resulted in far too many of our people crossing the border. True, Canada is not the only country whose citizens are attracted by the prosperity of the United States, but speaking for ourselves, there has been a cause for emigration that is more disturbing than the fact itself. Living next door, we naturally stand in closest comparison and are more exposed than any other country to a drain on our population from the fact that at the moment we are carrying a heavy burden of debt, while our neighbours overflow with wealth. Against this, however, we have more than they to offer to the desirable settler who wishes to go on the land. Land hunger is a human instinct. We have good and cheap land in plenty, and eventually the tide of immigration will turn in our direction.

We have a fertile soil, vast mineral resources, inexhaustible fisheries, mighty forests, unequalled water power, transportation galore, and an industrious people—in fact, all that goes to make a great and strong nation—but prudent management of our affairs is fundamental. Without that all our manifold advantages mean nothing.

We should ever keep before us the fact that Canada has immense potentialities, and that the mistakes of the past are reparable. Also, we have a splendid manhood east and west, with a loyal love of country and a unanimous determination to preserve our political independence.

REPORT ADOPTED

The chairman then invited discussion, but there being none, he moved, seconded by Sir Charles Gordon, G.B.E., that the Report of the Directors, now read, be adopted and printed for distribution among the Shareholders.

The report was unanimously adopted.

Mr. Wm. McMaster moved, seconded by Mr. John Patterson, that Messrs. James Hutchison, C.A., and George C. McDonald, C.A., be appointed auditors for the bank for the ensuing year, and that the ballot for the auditors be taken at the same time as the ballot for directors is taken.

THANKS TO OFFICERS

Mr. Zephirin Hebert then moved, seconded by Mr. George Caverhill, that the thanks of the meeting are hereby tendered to the President, the Vice-President, and Directors, for their attention to the interests of the Bank.

In speaking to this resolution, Mr. Hebert said: "It gives me great pleasure and honour to have the opportunity of moving a vote of thanks to the President, Vice-President and Directors of the Bank of Montreal. Since the Bank has been founded it has presented statements that have shown strength, power, and prudent administration, and this is due to the selection of directors, they having always been outstanding men who have commanded public confidence.

"The Bank is a national institution. Its character stands on a very high plane, and its resources are colossal. It has never refrained from any of the duties required of it, and it therefore stands out prominently, not only in this country, but also throughout the world. The Directors maintain the great honour, traditions and high standards of the Bank with which they are affiliated."

Mr. Hebert then moved the vote of thanks, as above.

The resolution was adopted unanimously.

The Chairman—"On behalf of my colleagues and myself, I am deeply indebted to you for this proof of your confidence in us and our administration of the Bank, which we have the honour to serve. I may add that it is a matter of regret that Mr. C. R. Hosmer, our senior director, is absent from this meeting owing to a severe illness, from which it is our hope he will soon recover."

Major-General the Hon. S. C. Mewburn then moved, seconded by the Hon. Sir Lomer Gouin, that the thanks of the meeting are hereby tendered to the General Manager, the Assistant General Managers, the Superintendents, the Managers and other Officers of the Bank, for their services during the past year.

In speaking to this resolution, Major-General Mewburn said:

"It seems to me that we should be filled with pride for the great achievements and accomplishments this Bank has made for the many years gone by, and, having that in mind, we should not be unmindful of the great services rendered to the Shareholders, and all interested in the Bank, by the General Manager and his worthy staff.

"When you consider this Bank having some 616 branches, employing within the various departments of the Bank, either at Head Office or throughout the branches, some 6,141 men and women, it cannot but impress one of the magnitude of the undertaking. Upon the Assistant General Managers, and their very efficient superintendents in charge of districts and divisions, the wonderful inspection staff, the managers throughout Canada, and upon the rank and file, rests a great work. The General Manager must be proud of the staff which is so faithful and zealous in discharge of their duty, and of the esprit de corps which exists in the Bank of Montreal."

The motion was carried, with applause.

In replying to this, the General Manager, Sir Frederick Williams-Taylor, said:

"I have to thank you for the considerate and highly complimentary terms with which you have referred to our staff's services during the past year. It has taken time to absorb into our system the employees of acquired banking institutions, but this gradual process of assimilation has developed into an entirely satisfactory whole, and I have no hesitation in stating that, all in all, we have not only a first-class staff, well organized, but as fine a body of loyal, devoted and efficient men and women as any important business concern in this or in any other country."

The Ballot for the appointment of Auditors and the election of Directors for the ensuing year was then proceeded with.

The Scrutineers appointed for the purpose reported that Messrs. James Hutchison, C.A., and George C. McDonald, C.A., were duly appointed Auditors, and the following gentlemen duly elected Directors:

Thomas Ahearn, D. Forbes Angus, E. W. Beatty, K.C.; His Honour Henry Cockshutt, General Sir Arthur Currie, G.C.M.G., K.C.B.; H. R. Drummond, G. B. Fraser, Sir Charles Gordon, G.B.E.; Sir Lomer Gouin, K.C.M.G.; C. R. Hosmer, Harold Kennedy, J. W. McConnell, William McMaster, F. E. Meredith, K.C.; Sir Vincent Meredith, Bart.; Maj.-Gen. the Hon. S. C. Mewburn, C.M.G.; F. W. Molson, Lieut.-Col. Herbert Molson, C.M.G., M.C.; James Stewart.

The meeting then terminated.

At a subsequent meeting of the Directors, Sir Vincent Meredith, Bart., was re-elected President, and Sir Charles Gordon, G.B.E., was re-elected Vice-President.